

97-84261-7

Smith, Charles William

Agricultural & trade
depression

London

1897

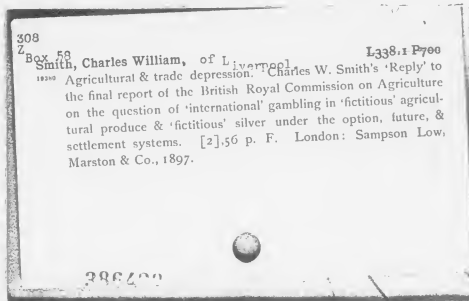
97-84261-7

MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries

TECHNICAL MICROFORM DATA

FILM SIZE: 35mmREDUCTION RATIO: 14:1IMAGE PLACEMENT: IA (11A) IB IIBDATE FILMED: 11-24-97INITIALS: PBTRACKING # : 29006

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

BIBLIOGRAPHIC IRREGULARITIES

MAIN ENTRY: Smith, Charles William

Agricultural & trade depression

Bibliographic Irregularities in the Original Document:

List all volumes and pages affected; include name of institution if filming borrowed text.

_____ Page(s) missing/not available: _____

_____ Volume(s) missing/not available: _____

☒ Illegible and/or damaged page(s): cover - missing text

_____ Page(s) or volume(s) misnumbered: _____

_____ Bound out of sequence: _____

_____ Page(s) or volume(s) filmed from copy borrowed from: _____

_____ Other: _____

_____ Inserted material: _____

TRACKING#: MSH29006

(With the Author's Compliments)

AGRICULTURAL & TRADE DEPRESSION

CHARLES W. SMITH'S

'REPLY'

308
Z
Box 58

TO THE FINAL REPORT OF THE

BRITISH ROYAL COMMISSION ON AGRICULTURE

ON THE QUESTION OF

'INTERNATIONAL' GAMBLING

IN

'FICTITIOUS' AGRICULTURAL PRODUCE & 'FICTITIOUS' SILVER

UNDER THE

OPTION, FUTURE. & SETTLEMENT SYSTEMS

LONDON

SAMPSON LOW, MARSTON & COMPANY

(LIMITED)

St. Dunstan's House

FETTER LANE, FLEET STREET, E.C.

1897

Price Two Shillings (including postage)

IS OBTAINED FROM ALL BOOKSELLERS

(With the Author's Compliments)

AGRICULTURAL & TRADE DEPRESSION

CHARLES W. SMITH'S

'REPLY'

TO THE FINAL REPORT OF THE

BRITISH ROYAL COMMISSION ON AGRICULTURE

ON THE QUESTION OF

'INTERNATIONAL' GAMBLING

IN

'FICTITIOUS' AGRICULTURAL PRODUCE & 'FICTITIOUS' SILVER

UNDER THE

OPTION, FUTURE, & SETTLEMENT SYSTEMS

LONDON

SAMPSON LOW, MARSTON & COMPANY

(LIMITED)

St. Dunstan's House

FETTER LANE, FLEET STREET, E.C.

1897

Price Two Shillings (including postage)

[TO BE OBTAINED FROM ALL BOOKSELLERS]

(The conclusions arrived at by the Royal Commission on Agriculture on "Commercial Gambling," Chapter X., will be found published in full, at the end of this "Reply.")

CHARLES W. SMITH'S REPLY

TO THE

Final Report of the British Royal Commission on Agriculture

IN REGARD TO THE

OPTION, FUTURE, AND SETTLEMENT SYSTEMS OF "INTERNATIONAL" GAMBLING IN "FICTITIOUS" AGRICULTURAL PRODUCE AND METALS.

THAT a British Royal Commission, appointed by Her Majesty, with the one and sole object of investigating the causes of Agricultural Depression, and of reporting upon the remedies for the same, has declined to accept as *conclusive*, the evidence tendered by myself, and supported by others in 1894, to establish the fact that British Agriculture and legitimate Trade are being absolutely ruined by legalised unrestricted, and reckless *Commercial and Financial Gambling* in "*Fictitious*" Products, is no surprise to those whose misfortune it has been to give this evidence before this Royal Commission, and to be subjected to their system of so-called "cross-examination." All the practical and experienced witnesses who gave evidence on this subject supported the views I and others put forward, *with one solitary exception*, Mr. W. J. Harris, senior partner in the firm of Harris Brothers, of London and Liverpool, grain importers and merchants.¹ The only other two witnesses, who with no personal knowledge, did express a contrary opinion, on casual examination, were Professor Foxwell and Mr. E. Atkinson, President of a Fire Insurance Company in New York. The former spoke from the "theoretical"—the latter from the "never could see" point of view.

But what will cause surprise, not only to us but also throughout the world, is the unprecedented illogical deduction contained in paragraphs 553 and 554, whereby the Commissioners have absolutely stultified themselves, if their verdict is based on evidence produced. Their own words are that, "*the evidence did not produce on our minds the impression that this Commercial Gambling really produces the alleged effect on prices or seriously contributes to Agricultural Depression, between which and Speculative dealing in wheat 'Futures,' we can discern no practical connection.*" Upon the minds of many of the Commissioners it would apparently require abnormal evidence to produce the impression which is daily gaining ground on this subject, and I venture to think that their "discernment" as to there being no practical connection between Agricultural depression and Speculative dealing in wheat "Futures" will cause astonishment, not only in Mark Lane, the leading grain centre of London, where this gambling is not tolerated, and where it is considered most injurious to, as well as causing "depression" in, all business, but also amongst our numerous leading and influential Trade and Agricultural Societies, who have unanimously passed resolutions condemnatory of the "Future" Systems as they at present exist, and who are gradually discovering, after a most careful enquiry, the far-reaching and pernicious effects of this legalised, illegitimate gambling.

While what must be the amazement throughout America, the Continent of Europe, and in some of our own Colonies, where the truth of my arguments has received the flattering recognition of either actual or proposed Government legislation, that a British Royal Commission, after an entirely insufficient investigation (in comparison to those held abroad) into this "deep" subject, and with evidence dating so far back as 1894, should dare, whilst recognising apparently in paragraph 553, *the result of my efforts abroad*, to adversely prejudice a question of such vital importance to the whole country, in the face of recent foreign legislation, of the Reports of several special foreign Parliamentary, Agricultural and

¹ See pages 26 and 47

Trade Commissions, as well as of the continued "official" resolutions to our Government from all our leading Agricultural and Trade Societies? With such weighty opinions from bodies of such eminence and influence, that there is a very practical connection between Agricultural and Trade Depression and Speculative dealing in "Futures," surely it was the duty, I would very respectfully suggest, of the Commissioners, to call additional witnesses, should the evidence before them not appear sufficiently conclusive or reliable, or the witnesses already called, might have supplemented in 1897 the ancient evidence given by them in 1894, had there really been a keen desire to investigate this question, which is so widely recognised as absolutely the principal cause of Agricultural and Trade Depression, and to find a remedy for it?

In 1889, I brought this question before certain prominent Lancashire Members of Parliament, as a cause of ruin to our British Cotton Industry, viz. before Sir W. Houldsworth, Mr. Isaac Hoyle, etc. In 1895, ten years later, I witnessed my views corroborated by a "International" Petition, on behalf of the German-Austrian-Russian-Swiss Union of Wool Spinners, to the German, French and Belgian Governments, for the suppression of the "Future" wool markets, which they contended had ruined their respective industries. Their arguments confirmed mine.

It was in the year 1883 that similar systems were universally introduced into the various Grain Exchanges of the world, and the "Futures" seller became a legalized and recognised operator; but it was only as late as 1889 that these systems became of an "International" character under the *Option, Future and Settlement Systems*. After watching the course of grain prices for a few years, and witnessing the usual result on Prices, and in consequence, Agricultural depression (more or less) all over the world, alike in a free trade country like Great Britain, as in all protectionist countries, as well as in countries whose monetary basis was either gold, silver, or paper, I thought it my duty, in 1892, to bring this subject forward and expose it as the principal cause of the world's agricultural ruin. In that year it was not generally recognised, at least by European Governments and by their agriculturists, and although I had from the time of its introduction into this country in 1876 (Cotton) realised from personal gambling experience, first in Cotton and afterwards in other commodities, what the general effect of "Future" gambling in "fictitious" products would be to *bona fide* business, as well as its ruinous effect on the world's producers, there was hardly one leading man in Europe, and very few in America and Germany, amongst the large number of men I corresponded with, who at about that time, 1892-1893, apparently grasped the truth of these views, with the exception of two or three of the members of the Royal Commission themselves, as will be seen by the letters I publish hereafter!

Little by little since 1892 the effect of this ruinous gambling on Producers has become gradually better realised all over the civilized world—with the most notable exceptions, however, of the British Government and of the British Royal Commission on Agriculture; but it is not illogical, I ask, that this latter body can pronounce *ex cathedra* on the merits of a question, acknowledged to be so vital to the world's Agriculture and to Trade, regarding which the strong evidence before them was so overwhelmingly condemnatory as to negative the summary decision arrived at, which decision a more extended and searching enquiry into the facts would have proved untenable? While with regard to the late and present Government, both have been supplied by me with all important facts, both home and foreign, relative to this question from 1892-1897, and, I may remark, it is a significant fact that since Lord Salisbury's Administration came into power it has received special petitions, with regard to depression from our grain agriculturists, the cotton industry, and from the West India sugar merchants. It is these three principal commodities that come under the influence of the gambling systems.

The fact is, and the sooner the leading British Agricultural Societies and the farming classes recognize it the better, that gambling in "Fictitious" Agricultural produce and in "Fictitious" Silver, including other forms of paper money, has been and is maintained entirely in the interests of thousands of "International" Capitalists, Bankers, and Members of the Produce and Metal Exchanges, who make their thousands of hundreds of thousands out of it, regardless of the effect upon Producers' prices, while the power and influence of this all-powerful class in the Commercial and Financial World is simply enormous, and has and will be used to misrepresent facts, to ridicule arguments and to evade repressive legislation, under the knowledge and fear, that when once this "International" gambling "House of Cards" is thoroughly exposed, and public opinion commences to realize what does of iniquity and courses of nefarious operations are permitted by these specious "Future" International gambling systems, whereby the Producer and Farmer are impoverished and victimised, simply to enable the Capitalist and Members of the Produce Exchanges to make money at their expense, a cry will rise up in this country, such as has already arisen amongst the Farmers in America, Germany, and in other countries where these assertions have been proved to be true by Special Commissions, to sweep away this entirely unnecessary, disastrous, illegal, unfair, and immoral form of "International" gambling in "fictitious" products, in order thereby to permit our Trade once again to resume its proper and legitimate course, affected solely by the natural laws of the World's supply and demand, and consequently freed from the present legalized Trade "Cancer," which "artificially" must in nine years out of ten, depress prices, ruin producers, and hamper all *bona fide* Traders—Manufacturers, as well as legitimate Speculators.

When the British Royal Commission on Agriculture was appointed in 1893 by the late Government to inquire into this depression, I had just published my first book, "Original Theories for Depression in Agriculture and Trade," and welcomed the opportunity to give evidence on this hitherto generally unknown cause of Agricultural and Trade depression in this country. On the positive instructions and at the special request of the Commissioners in 1893, I compiled a careful and comprehensive statement of evidence of the growth and effect of "Options and Futures" upon various Commodities, going back, for the sake

¹ See pages 12, 20, 21, 31, 44, 48, 49, 51, and 54.

of comparison, fifty years. This, supplemented by other numerous publications, both home and foreign, with which the Commissioners have since been supplied by me, including the "official" evidence taken by the American and Continental Commissioners, proved conclusively by Statistical and other undoubted facts that this form of "International" Commercial and Financial Gambling is and has been undeniably one of the greatest causes of Agricultural and Trade Depression. My compiled evidence, although not "officially" printed in 1894 by order of the Commissioners, was expressed in the Blue Book, notwithstanding the attempts made in both Houses of Parliament to obtain its production from the Government.

My cross-examination of two days in 1894 ("Blue Book" Volume II, pages 60-62 and 204-218), was carried out in a large measure by Sir R. Giffen of the Board of Trade, in his "official" position as Head of the Commercial Department of that Board, while no doubt his personal views on this question have naturally had great influence and undue weight in determining the opinions of his co-Commissioners. But Sir R. Giffen is also a recognised "champion" on behalf of the "Monometallists or Gold" party, who, in other words, form the "Capitalists." It is these who are beginning at last to be truly recognised, both in America and on the Continent of Europe, as the worst enemies of the world's Agriculturists, because under the power of these "option" gambling systems in the Commercial and Financial World, they have become omnipotent over "prices," while in England, as elsewhere, it is necessary not to overlook the fact, that it was these great Capitalists and Banking Houses who gradually introduced these systems into the various Produce Exchanges of the world for their own financial benefit!

Now, I maintain that my cross-examination was most unfairly and ungenerously conducted. For instance, the principal arguments and most important parts of my prepared statement of evidence were entirely ignored, and those of Stock Exchange Gambling, with which my principal cross-examiner was more familiar, but upon which I had not come to be examined (the basis, inner workings and mechanism, as well as the settlement of such, being entirely different, from every point of view), formed the greater part of the basis of his examination. That Sir R. Giffen was totally ignorant of the effect of "Future" Produce and Metal Gambling upon "Prices" I can readily believe, for his cross-examination demonstrated it, but this could not excuse or justify the tone he adopted towards me, as if I was a witness hostile to his already "preconceived" convictions and to his "interested and personal" views, as expressed by him so fully by attributing the fall in prices to the *contraction of Gold*, not only in his various writings, but also before the Royal Commission on Agriculture in 1882, before the Commission on Gold and Silver in 1887, and again, as a witness, before the present Royal Commission on April 27, 1894.

I ask any unprejudiced reader of my cross-examination, every word of which I am ready on oath to substantiate before any Tribunal, whether my cross-examination was a sincere attempt to investigate whether depression of agricultural Prices was the result of International "Future" Gambling in Produce, combined with paper fictitious money, or, in other words, of "Commercial and Financial Gambling" in "Fictitious" Products, the only point which had been asked to advance and prove, or whether it had not rather the result of obscuring the truth and limiting its ventilation?

And yet the British Royal Commission can venture, in the year 1897, to pronounce an adverse verdict, totally opposed to all the overwhelming practical evidence given before them in 1894 (the larger and most important part of which they suppressed), with the one exception referred to, and to ignore the opinions to the contrary of foreign Parliamentary and Agricultural Inquiries, including the opinion of the large majority of Delegates present (representing all countries) at the International Agricultural Congress at Budapest; of "official" Resolutions passed by British Agricultural, Trade and other leading Societies; and lastly, of the actual and proposed repressive legislation, not only by all leading foreign Governments, but also by some of our own Colonies.

With regard to this latter, I notice the Report of the Royal Commission states (paragraph 551), "The result of any legislation that may be carried into effect upon this subject will no doubt be carefully watched by the proper authorities in this country." I trust there will be the case for the credit of the present Government, as the President of the Board of Trade in the House only on March 12 last, said, "He was hardly prepared to make such an extensive Inquiry as requested, as to the results of special 'Parliamentary Inquiries held in America, Germany, Belgium, Austria and Hungary, especially having regard to the fact that the matter is one in regard to which this country is quite competent to form its own opinion.' I shall prove that the opinion of every leading Trade and Agricultural Society in this country is, that a Special Parliamentary Inquiry ought to be held." These views have been based almost entirely on the arguments and evidence I and others have adduced during the past few years before the Royal Commission and elsewhere, in which I have been fully corroborated by two of the highest officials of the Board of Trade.

Sir Courtenay Boyle, Permanent Secretary of the Board, in September 1894, "officially" condemned commercial Gambling, saying, "Commercial Gambling stands condemned by the common consent of all those who have any knowledge whatever of the subject. It stands condemned by every writer upon political economy who has given his views to the world, and it needs no representation from anybody whatever to convince those who watch the progress of Trade, that commercial gambling is an evil, and an unmitigated one." Could any words be stronger or clearer? Again, the Inspector-General of Bankruptcy, in his "official" report for 1895, says, "It is alleged, and apparently with good grounds, that the operations of speculators in what are termed 'futures,' i.e. operations which are not based upon actual deliveries of produce, but on mere contracts to deliver at some future date, and which are settled by the receipt or payment of 'differences' when the date for delivery arrives, have 'tended by the unnatural competition which they create, to depress the price of commodities below their

¹ This fact was fully recognized in America by Mr. Bryan and his supporters at the late election for the Presidency. See also pages 44 and 49.

"natural level, the actual holders of such commodities being powerless to contend against these purely speculative influences. . . . The prices of commodities are thus largely determined, not by the natural laws of supply and demand, but by the action of a comparatively few reckless competitors who have nothing to lose, but everything to gain, by carrying on business transactions even at a loss."

It will thus be seen that two of the highest permanent officials of the Board of Trade are diametrically opposed to the views of Sir Robert Giffen of the same Department, who, as a Member of the Royal Commission on Agriculture, has signed the report *contrary to the burden of the practical evidence before him*; whilst Sir Courtenay Boyle would appear to corroborate my already expressed opinion that Sir R. Giffen must be "totally ignorant of the effect of 'Future' Produce and Metal "Gambling" when he says that "Commercial Gambling stands condemned by the common consent of all those who have any knowledge on the subject."

The R. port of the Royal Commission further states (paragraph 553) "We felt bound to listen to some critics whose views have found a certain amount of acceptance, not only in the Agricultural community in this country, but apparently in very important quarters in Germany and the United States, where legislation against Speculative dealing has been attempted and (in Germany at least) carried. After considering the 'prima facie' case presented to us, however, we did not think it desirable to pursue the investigation further." I fully admit I have received great assistance in this country from Mr. W. E. Bear, one of the witnesses referred to. Mr. Bear has taken more pains to arrive at the truth than any other man in England, and every British Agriculturist ought to thank him for his energy and perseverance in exposing these ruinous systems. I also desire specially to thank the Press of the United Kingdom, as well as the foreign Press, for the general courtesy I have received at their hands, for the use of their columns, in ventilating this question, both by letters and otherwise.

But, with regard to foreign countries, I must leave it to the various Governments, Parliaments, and Agricultural Societies to decide whom they recognise as the one man who has devoted the past five years of his life all over the world, *pro bono publico*, in order to expose the ruin of the world's Agriculture, which is being brought about by these legalized International gambling systems. Also, whose views and evidence it was they accepted in the first instance for a *prima facie* case, and afterwards proved both by special inquiries to be true in substance and in facts, so as to warrant the introduction, either of actual or proposed prohibitive or restrictive Government legislation?

While with regard to the words "We did not think it desirable to pursue the investigation further," I may remark that in 1895, at the request of Mr. Henry Chaplin, M.P. (one of the Royal Commissioners), I submitted the names of both foreign and English influential experts on this subject who were willing to attend as witnesses, in order to supplement and support in *toto* my own and other evidence, and I could have added considerably to their number if I had been asked to do so. This arose out of an interview with Mr. Chaplin in the House, who informed me "that it was utterly impossible for any Government, or for the Royal Commission on Agriculture to recognise this question 'officially' unless I could be strongly supported." The names I sent in were those of Dr. G. Rahland of Berlin, Professor of Political Economy at Zurich University, and Agricultural Adviser to the Grand Duchy of Bavaria, in which capacity, and by order of the Ministry, he compiled a History of the Trade of Agricultural commodities, including the policy connected with it during the past one hundred years. He was selected by Prince Bismarck for special appointment, and visited Russia, England, Austria, Hungary, Danube, India, Australia, and North America, in order to inquire officially into the whole question of Agricultural depression; Author of "The Ruin of the World's Agriculture and Trade"; Mr. J. F. Firth, of Hemmingsworth, Yorkshire, Vice-President of the Associated Chambers of Commerce of the United Kingdom; and Mr. J. C. Pillman, late President of the London Millers' Association—Wheat importers and merchants in London and the Continent.

The official position of these gentlemen and their information of detail was undeniable. Their evidence was never taken. I now observe by the Report the extraordinary excuse put forth as the reason. But I challenge the Commissioners to support it by the evidence before them, while the letters of some of the Commissioners (as published hereafter) show that in their opinion at least a *prima facie* case for careful investigation had been made out by me.

I desire now not only to give interesting extracts from letters sent by me to various members of the Royal Commission, which support this challenge, but also to quote from a few of the more important letters received from representative and leading Statesmen, Politicians, Agriculturists and others; as well as briefly to enumerate the various "official" steps taken in this country and abroad by Governments and Parliaments, by foreign Parliamentary and Agricultural Commissions, and by our leading Trade and Agricultural Societies, all of which will tend to prove that "International" future gambling in "Fictitious" products, and in the "Option and Future" Systems, directly depresses prices and ruins legitimate trade, thus supporting my views as expressed in my evidence before the British Royal Commission on Agriculture in 1894, as well as in my various books, lectures, &c., written and given since that year.

I leave it to my readers to decide which view of the question is most likely to be correct, that of the Royal Commission after a most imperfect inquiry in comparison to those held in foreign countries, or that resulting from the laborious and searching "official" investigations made by so many Governments abroad? The Report of the Royal Commission states, "between Agricultural depression and 'Speculative dealing in Wheat futures' we can discern no practical connection." It will be seen that the contrary opinion is widely held by those who certainly are in as good, or indeed, in a far better position to decide, all of whom, with no exception, uphold my views.

The question is, with whom then is the right? Let me here reiterate, that it is absolutely essential, in the interests of our British Agriculture and Trade, that a Special Public Commission into this

subject should be appointed without delay. Let all witnesses be examined on oath. I maintain that the question is one of life or death to our National Industry. This is the only practical way of arriving at the truth. I trust if such a Commission be appointed, a due proportion of Agricultural Members and bona fide Agriculturists will be selected to serve upon it, in order to guarantee an impartial and thoroughly unbiased investigation and Report.

The Report of the Royal Commission further states (paragraph 554), "We must not be supposed to approve of the 'system of gambling in produce in itself, or to deny that, like other forms of gambling when carried to excess, it produces great mischief. But how far gambling in its various forms is a cause of social mischief and a proper subject for repressive legislation were not subjects before us."

I rejoice to see that the Royal Commission and myself are "one" in the opinion that "we must not be supposed to approve of the system of gambling in produce in itself," and, further, that they do not deny "that this gambling, like other forms, when carried to excess, produces great mischief." I too, personally have neither brought this question forward from the moral nor the immoral point of view. If a man chooses to "back horses" and ruin himself and his family, it is his own business. The mischief extends directly no further. But this gambling in "produce" is at the expense of the "defenceless" Producers, who are being "stabbed behind their backs," without any participation in or even knowledge of the gambling. It is a gamble, pure and simple, in "fictitious" produce carried on by a few thousands of individuals, who are Members of the World's Produce Exchanges, backed up by the Bankers and the great Capitalists, whereby tens of millions of innocent Agriculturists and rural labourers, as well as their families, are being ruined. It is a form of gambling which is far more reaching in its ruinous effects than any other form, affecting, as it does, the National Industries of all countries, the back-bone of every nation. It is carried to excess at the present time in all leading Produce Exchanges and Bourses (except in those practical and far-seeing countries whose Governments have prohibited it by legislation) and far exceeds any other form of gambling in volume and amount. Hence, as the Royal Commission truly says, it produces great mischief.

I have already quoted the views of two of the highest Authorities of the Board of Trade. I will now quote the words of Mr. Justice Wills, in his summing up in the Queen's Bench Division, on July 10, 1896, in the case of Gieve v. Doyle, a trial for "gambling differences" on the Stock Exchange. His remarks are equally applicable to the legalized gambling houses, under the name of Produce Exchanges, as regards the gambling therein conducted. He said, "When I first came upon it, I thought it was a case of a man who had lost his money, but I found it was a case of a man who had lost his character, somewhat modified that opinion. I now think it is a question whether the unlimited facilities for illegitimate speculation on the part of people who had no means of embarking in it, but who were tempted by advertisements of the kind issued by the Plaintiff, are not a more prevalent source of mischief and crime even than drink."

This opinion will be re-echoed by the judgment of every unprejudiced person in these Islands, as it has been already in the highest quarters, while the only excuse that the British Government on several occasions have put forth for non-legislative interference is, taking the exact words as used in Lord Salisbury's letter to Mr. Jasper More, M.P., of October 12, 1895, "that it has always appeared so difficult to distinguish between 'gambling' and ordinary commercial contracts as to make it impossible to give legal effect to a scheme for controlling such gambling without interfering with ordinary commercial business and inflicting grave injury on trade." Yet, as I shall hereafter prove, all the leading foreign Governments have either been able to overcome this difficulty, or have determined to make the attempt. However, as the Royal Commission have said in their Report, "that they must not be supposed to approve of the system of gambling in produce in itself," an opportunity is now offered to the Government honestly to endeavour to enforce equal laws about gambling, without favour, partiality, or affection, especially in the case of the House of Commons, which has recently stated in the House their determination to uphold and enforce the recent decision of the High Court in respect of gambling on racecourses. Such an action naturally leads to the hope that similar action, on the same grounds, will be taken in the case of "Future gambling" in fictitious agricultural and other products. This latter is far worse in its extensive ruinous effects than the former, depressing, as it certainly does, in time of peace, our national industry, and affecting, as it will certainly do, in time of war, our labouring masses. For, in time of war, the food for transport to our shores will not be available for the purpose, because, under these systems, it will be most certainly "cornered" by a gang of "International" gamblers at famine prices, leaving the country to starve, no matter what money Parliament may have expended on our Navy. Surely, under such circumstances, Government investigation into the question is imperative?

With regard to the illegality of gambling in "prices" of "Fictitious" stocks, the highest tribunals in the land, viz. the Court of Appeal and the House of Lords, have both ruled that the same are "gambling" transactions. The same ruling applies to Fictitious products. These decisions were based on the Gaming Act of 1845, section 18, and were delivered by no less than nine judges, including the Lord Chancellor and seven Lords of Appeal. I give the exact words of Lord Halsbury and Lord Herschell in delivering judgment. Lord Halsbury said, "When I look at the terms themselves the whole scheme appears to me to be intended with great ingenuity to pretend that there is to be a real transaction, and yet there is to be a payment in respect of the relations between the parties, which is only reconcilable in my mind with its being an unreal transaction. They are to get five per cent. Each learned counsel in turn has been asked what that was for, inasmuch as it was admitted there was no purchase and no sale. In all these transactions not one single purchase or sale is proved to have existed during the whole period in which this business was going on. Then if the real meaning of the parties is this, that there is to be only a payment of differences, what is it but a gaming and wagering transaction between the two as to what shall be the payment on the one side or on the other

"side? My Lords, if I were on the jury I should come to that conclusion; but I am not under the necessity of trying this question as if I were upon the jury, because the jury have found that it was a gambling transaction, and upon evidence which seems to me extremely satisfactory."

Lord F. Russell delivered a similar judgment, *emphatically disapproving the contention of the Board of Trade and of Lord Salisbury*, as to the difficulty of distinguishing between gambling and legitimate speculation. He said, "The proposition amounts to this, that parties who intended to gamble with one another, but wanted to have the security against one another of being able in a Court of Justice to recover their bets, could compel a Court of Justice to adjudicate, and secure to them their bets by a judgment, if only they inserted in their contract a provision which might in certain events become operative, to compel the goods to be delivered and received, although neither of them anticipated such a contingency; the purpose of inserting the provision creating an obligation being only to cloak the fact that it was a gambling transaction, and enable them to sue one another for gambling debts. The proposition contended for by the learned Counsel for the Appellants would really lead to that result, and I should require much consideration before I gave my assent to a proposition involving such consequences."

I venture to prophesy that it will not be long before the conclusion arrived at by the Royal Commission on Agriculture will receive, not only from British Agricultural and Trade Societies, but from the country at large, the signal rebuff the Commissioners have courted, in delivering a verdict regarding the influence of Prices of Option and Future gambling in "Fictitious" Products, which is not only unsupported by the practical evidence before them, but directly contrary to the universal conclusions arrived at by all leading foreign Governments and Parliaments where "official" investigations have been held, and also against the opinions of some of the most influential members of the Royal Commission themselves held in 1883, before they heard any evidence, as is shown by their letters, and which evidence fully corroborated their personal views, as expressed in that year.

Virtus prevalebit, all over the civilized world, notwithstanding the enormous power and influence of the great International Capitalists, Bankers, and Members of the Stock and Produce Exchanges to obscure the truth of the assertions I have brought forward since 1885 solely from patriotic and honorable motives (the same being dead against my own pecuniary interests in the commercial world), at enormous sacrifices of health, time, and money, with the one object of exposing to the world's Agriculturists, honest Traders, and Legitimate Speculators, the ruin caused to them by this most destructive form of Trade gambling of modern times. I am further convinced that facts will also conquer in the long run, even in the face of the illogical Report of the British Royal Commission on Agriculture and when the truth upon which they are founded is known far and wide.

Finally if it pleases the Agriculturists of the world to continue to give me their support as they have done in the past, *thereby again acknowledging the absolute truth of my views*, I, on my part, am fully prepared (if they wish it) to carry on my laborious work, in conjunction with others who, either in this country or abroad, recognise as I do that the world's great battle, *Agriculturists versus Capitalists*, has only just seriously commenced, and consequently that it becomes a necessity for the former to "join hands" with their confrères in every part of the civilized world if they wish ultimately to win, and thus crush their common enemies, *who have, and will have, the power to ruin them so long as these unfair and illegitimate gambling systems are allowed to continue by such responsible Governments as those of America and Great Britain.*

I am fully conscious that my voice in this world's acknowledged just and great cause is only a very humble one. But it is an earnest one. I, however, shall have my belief in the future as in the past, on the truth of the words penned years ago, but which still hold good even in the degenerate days in which we live, when "Gold has become the God of man," viz.:—

"No voice, however feeble, lifted up for truth, dies."

CHARLES WILLIAM SMITH.

RAVE HURST, CHERLTENHAM, ENGLAND.
August, 1897.

P.S.—I gladly draw special attention to the three Reservations of Mr. Henry Chaplin, M.P., Mr. John Gilmour, and Mr. John Clay, to the Main Report they all three signed. These Reservations are printed on page 54 and speak for themselves. I also desire to point out that although the Report was not signed by Mr. F. A. Channing, M.P., and Mr. George Lambert, M.P., neither member, although representing Agricultural interests and elected for that purpose, has thought right to refer at all to this important subject in his separate Report! That the question has been ignored by them is not due to ignorance as their letters on the next page show. Mr. Channing was also Chairman of the Central and Associated Chambers of Agriculture in 1894, when the important resolutions (given hereafter) were unanimously passed, Mr. Channing himself acquiescing in them.

EXTRACTS FROM LETTERS RECEIVED FROM MEMBERS OF THE ROYAL COMMISSION IN 1893.

From Mr. W. H. Long, M.P., Minister of Agriculture since 1895, and in that position when he signed the Final Report of the Royal Commission, as one of the Commissioners: "I thank you for your book, which, judging from the reviews, I am sure I shall read with interest. I believe there is a great deal in the theory 'you have started.' (See also the weighty words and personal views of Mr. Long, pages 13 and 14.)"

From Mr. John Clay: "I have to thank you for your interesting book on 'Commercial Gambling.' I have been in America several times and had seen the Board of Trade in New York and Chicago. The gambling spirit that is there will some day be the ruin of that great country. The evil effect of it has come 'over to this country; the price of our farm produce is often at the mercy of 'the Bulls and Bears.' Hoping 'your book will do good.'"

From Mr. W. Little: "I have long held and expressed the opinion that we were suffering severely from 'the modern system of dealing which creates a 'fictitious' supply; but my knowledge of commercial transactions was not intimate enough to enable me to prove my proposition. We are much indebted to you for calling attention to a system which is not only a great source of loss, but, as I conceive, of danger. If once the actual supply should fall short and confidence be lost, a serious panic might result, which might ruin thousands and profit only the speculators. I should like to suggest to the Chairman of our Commission that 'you should be asked to give evidence on the subject, if it would be agreeable to you to do so.'"

From Mr. F. A. Channing, M.P.: "I am exceedingly obliged for your book on 'Commercial Gambling.' The whole subject and the treatment of it are very striking. I shall take my part on the Commission in bringing this matter before it. But there are and will be grave difficulties in practical legislation. I think 'it would be well if you could give in evidence the main points, and shall write that suggestion to the Chairman.'"

From Mr. H. Chaplin, M.P.: "Anything which promises to relieve Agricultural Depression is deserving of attention, and anyone who can devise a means of accomplishing that end will be a Public Benefactor. I shall await your book with interest and examine it with pleasure." (See also the words of Mr. Chaplin, page 25.)

From Mr. R. L. Everett, M.P.: "Thanks for pamphlet and books. We shall, I hope, examine the matter thoroughly on the Commission."

From Mr. W. H. Shaw Lefevre, M.P.: "I will bring the subject before the Commission on Agriculture, and will let you know whether they will desire to take evidence on the subject."

From Mr. C. Elton, Q.C.: "I have to thank you for the information upon a very important subject. I will lay the whole before the Commission."

From Mr. Owen Thomas: "Your work on 'Commercial Gambling' is certainly worthy of perusal by 'all who are interested in Agriculture. I hope it will be extensively read and studied, as the subject is one of great importance, and is evidently treated by you with adequate knowledge and experience. It goes beyond doubt the condition of things must directly or indirectly affect everyone. Please accept my best thanks for the book, which has been a pleasure to me to read. I think the matter should be brought before the Commission on Agriculture. I am sure the Farmers will appreciate your work. I hope the undertaking 'will be a success in every way.'"

From Mr. George Lambert, M.P.: "I have been greatly interested in reading the, on the whole, 'uniformly favourable reviews of your book on 'Commercial Gambling.' While chatting in the House with a 'well-known Agricultural Authority, he spoke in the highest terms of your work. I shall embrace the first opportunity of carefully studying a subject of such surpassing importance. I have read very carefully the preface. It is extremely lucid, and will, I trust, be widely read by the whole Agricultural Community as a 'most valuable contribution to the causes of the present deplorable depression.' The other Commissioners merely acknowledge the receipt of books, etc. Sir E. Giffen's letter is marked 'Private.'"

The following are copies of letters published in *The Times* of January 1895. They explain my position at that time, as the suppression of my prepared Statement of Evidence by the Royal Commission, and other facts in connection with it. The last paragraph in the third letter prognosticated my present opinion as to

the Royal Commission "stultifying" themselves in their Final Report, also, that by suppressing my evidence they would mislead Parliament and the public in general—not one in ten thousand interested in agricultural depression ever perhaps having seen or read even my cross-examination in the Blue Book! The following are copies.

THE ROYAL COMMISSION ON AGRICULTURE.

TO THE EDITOR OF *The Times*.

Sir,—It is a criticism of the second volume, just issued, of the evidence before the Agricultural Commissioners, which appeared in your issue of the 2nd inst., is so far as it deals with "Commercial Gambling," very much what I should have expected from one not behind the scenes, and I freely admit that "the facts" laid before the Commission and the tone of the cross-examination, as they appear in this evidence, do certainly leave the impression that the arguments I adduced could scarcely carry conviction to the minds of the Commissioners.

In fairness to myself, and in justice to the national vital importance of the question I have been for over two years now endeavouring to place before the country, permit me to state that, at the request of the Commission, I prepared, with considerable labour, a voluminous statement of statistical evidence on commercial and financial gambling, which enters in the fullest manner into the subject, and proves up to the hilt the arguments I advanced.

This statement was handed in on the morning of my first and most important day's cross-examination, and was ordered to be printed by the Commissioners; but as the cross-examination at once proceeded, it is scarcely to be wondered at, that as few, if any, of them had had personal experience of these systems of gambling, their questions were scarcely such as would elucidate the subject, and it was with the greatest difficulty that I was able to introduce into my answers matter relevant to the subject of the enquiry and explanatory of the arguments I wished to place before the Commissioners.

Had it been decided to attach to their proceedings a copy of my printed statement, I should have been satisfied to have left my case for public criticism and judgment; but can it be believed that, on the grounds of precedent, the carefully-prepared statement I elaborated at their request is suppressed, and my arguments for the prohibition of this commercial and financial gambling, which are, combined, the absolute principal cause of the general depression of "prices," and therefore of the ruin of our agriculture, are presented to the public in an incomplete and unfair manner, and naturally suffer in contrast to the elaborate elucidation of bi-metallicism, the special hobby of many of the Commissioners?

I trust that you will in fairness allow this explanation to appear.

I am, Sir, your obedient servant,

CHARLES W. SMITH.
Author of *Commercial Gambling*.

January 5, 1895.

TO THE EDITOR OF *The Times*.

Sir,—My attention has been drawn to the letter addressed to you on the 5th inst. by Mr. Charles W. Smith, which you published on the 9th inst., with reference to the remarks in your notice of the second volume of evidence just issued by the Royal Commission on Agriculture, in which Mr. Smith's evidence before the Commission appears.

Will you kindly permit me to shortly reply by stating that Mr. Smith was not asked to prepare what he calls "a voluminous statement" upon his subject, but only, as in the case of all other witnesses, a concise brief! Having, however, written a document which entered at great length and in minute detail into the history and working of commercial gambling, and which, I may add, was only handed in an hour or so before he was examined, the Commissioners, in order to do Mr. Smith full justice, agreed to its being printed and to adjoining Mr. Smith's cross-examination for nearly a month, in order that there might be time to more fully consider the subject. Mr. Smith further complains—"The carefully prepared statement I elaborated at their (the Commissioners') request is suppressed." The elaborate statement prepared by Mr. Smith, entirely on his own initiative, had of necessity, in the absence of the usual brief handed in by witnesses, to be used as such, though at some inconvenience to the Commissioners. There was no desire whatever to suppress the statement, but it is quite unusual to append witnesses' briefs to their evidence, and there seemed no reason why in this particular case an exception should be made. In addition, the statement would have occupied several pages in an already bulky Blue-book.

I am, Sir, your obedient servant,

HERBERT LYON.

Secretary to the Royal Commission on Agriculture.

Royal Commission on Agriculture, 23 Great George Street, Westminster, S.W., January 11.

TO THE EDITOR OF *The Times*.

Sir,—The arguments of the Secretary of the Royal Commission will not bear examination. There are only three in his letter of the 11th inst. Will you kindly permit me to reply to them, *mainly by quotations from his own letters*!

1. That I was not asked to prepare "a voluminous statement" upon my subject, but only, as in the case of all other witnesses, a concise brief.

The instructions (dated November 17, 1893) that I received from Mr. Lyon were as follows:—

"Your brief should not be questions upon a statement grouped, if you can, under separate heads and sub-heads. I think you should tell the story from the beginning. You will be examined in chief, and then "cross-examined by all the Commissioners."

Again, on March 30, 1894, Mr. Lyon writes:—

"The Chairman desires me to ask you to be good enough, if possible, to have your brief in the form of "a statement which you can read to the Commissioners next Friday, and you will then be examined upon it "afterwards."

Further communications, verbally and in writing, from a Commissioner, were to a similar effect. In compliance with these instructions, it took me three months' hard work to prepare a statement, as desired, under seventeen heads and sub-heads, dealing with the subject from 1846 to 1894, as well as with the Currency Problem from 1872 to 1894, and proving by detailed statistical evidence the absolute disastrous effect of the Option, Future, and Settlement Gambling Systems on the prices of agricultural and other commodities, regarding which systems I had only been summoned to give evidence. I was not permitted to read this statement.

2. That in order to do me justice, the Commissioners agreed to the report being printed, and to adjourn my cross-examination, in order that there might be time to more fully consider the subject.

This is entirely erroneous. My cross-examination was at once proceeded with in ignorance of the contents of my statement, and when I came up subsequently for further cross-examination, hardly one of the most important points in my statement were touched upon, by far the largest number of questions on both days being devoted to Stock Exchange gambling operations, upon which I had not come to give evidence.

3. That there was no desire to suppress my statement; that there seemed no reason why the brief should be appended to the evidence, and that had it been so appended, it would have occupied several pages of an already bulky Blue-book.

The first intimation I received that my statement would not be published in the Blue-book was from Mr. Lyon, subsequent to my second day's cross-examination. He writes on May 29, 1894: "I am afraid you "are under some misapprehension about the statement you prepared for the Commission. I do not think it "was intended to print it along with your evidence, and in any case it could only come as an appendix "paper, and could not appear as an introduction to your evidence."

To this intimation I sent an urgent official appeal to Mr. Lyon, dated May 30, 1894, recognising fully that by publishing my cross-examination alone, the Commissioners would present to Parliament and to the public a most incomplete and unfair statement of my evidence. The following is a summary of my letter:—

I was much surprised that it was not the intention of the Commissioners to publish my prepared evidence—that I had been asked to prepare it under various headings, and that every paragraph was of value to prove my case. That on wishing to read it, Lord Cobham ruled that it would take too long, and that it should be put in and considered as read, and that it was upon this understanding I had not appended to the Chairman against numerous questions, utterly irrelevant to my subject, that had been put to me. That the most important points in my prepared evidence were never touched upon—for instance, no reference was made to my statistics and prices; to the "Visible" and "Invisible" supplies; to financial panics as affecting the Option systems, etc. That only an infinitesimal part of my prepared evidence came out on examination. I appealed to the Commissioners to publish the whole statement on the grounds that it was a national question, interesting the leading agricultural and other societies as well as many influential men, and that the subject was a special one, hitherto unknown to our leading agriculturists and legislators, who should have the whole of the evidence at their disposal that it had been able to collect.

To this appeal, Mr. Lyon informed me on June 8, 1894, that Lord Cobham had decided that my printed statement should not be printed even in the appendix of the Blue-book.

I now leave the question to the judgment of yourself and of your readers as to whether I am not justified in asserting that my prepared evidence has been suppressed. Instead of being welcomed as the proclaimer of the absolute principal cause of agricultural depression and of the most practical remedy for the same before the country, the tone of the cross-examination, noticed by your critic, shows too clearly that I was regarded as an unpleasant hostile witness, whose evidence conflicted with preconceived ideas.

That the views advocated are prompting legislation in America, Germany, Russia, France, Belgium, Hungary, the Croatian States, and even are causing excitement in Australia, seems to be no argument to the Commissioners in comparison to their anxiety not to increase the dimensions of the Blue-book.

I can only record my personal opinion that unless my prepared evidence is published in the Blue-book, the Commissioners will stultify themselves, and will mislead Parliament and the public as regards these systems, who are now anxiously looking for any practical suggestion to relieve our agricultural ruin and the depression which has overtaken our Commerce, Trade, and National Industries.

I am, Sir, your obedient servant,

CHARLES W. SMITH.
Author of *Commercial Gambling*.

January 12, 1895.

FROM 1867 TO 1897

Particulars of actual or proposed *Legislative Measures* by America, Canada, all the leading Continental Countries and Great Britain.

Result of *Parliamentary and other Special Commissions* held in America, Germany, Austria, Belgium and Hungary.

Extracts from copies from *Letters* received (out of thousands) from influential Personages, Statesmen, Politicians, and leading Agriculturists, both home and foreign.

Copies of *Resolutions* passed or proposed in various Parliaments—also by British and Foreign Agricultural, Trade, and other important Societies. *N.B.* All the leading British *Resolutions* have been forwarded to Her Majesty's Government.

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------|---|--|
| 1867 | England . . . | <i>An Act to amend the Law in respect of the Sale and Purchase of "Fictitious" Shares in Joint Stock Banking Companies—called Leeman's Act, Victoria, Cap. XXIX.</i> This Act prohibits, and consists of three clauses. | Since the passing of this Act, not one failure of a Joint Stock Bank has taken place! Why should not farmers be equally protected against similar systems? Surely the food-stuffs of this country are as sacred as gilt-edged securities? The Act is satisfactory as recognising the principle involved, and because England was the first country to legislate upon it. |
| 1881 | Switzerland . | <i>Government Bill.</i> Passed 1881. Came into force 1883. Articles 512 and 514 of the Federal Code of obligations. All gambling prohibited in bargains in "options" of goods, shares, etc. All differences due on such gambling operations irrecoverable at law. The State does not recognise such operations as lawful. | The first country to legislate upon options. |
| 1888 | United States . | <i>Farmers.</i> From this year up to the present time an agitation had been carried on by American farmers, agricultural societies, and their representatives in Congress. Unanimously, these farmers are of opinion that these gambling systems are one of the direct and principal causes of their ruin. The then Secretary of Agriculture, and the statisticians of his department, were strong supporters of this view, and supported the first Bill in 1892. | The agitation of the farmers caused a combination of capitalists, which defeated their efforts, every means, legitimate and otherwise, being used for the purpose to prevent legislation. |
| 1888 | Germany . . . | <i>Prince Bismarck</i> , as Minister of Trade, writes to the directors of the produce exchanges after they have expressed their opinion on the report on the Exchanges of 1887, "that in fixing the general conditions of delivery, the interests of those parties only are taken into consideration who deal in grain on the Exchanges. I cannot confine the political aims which influenced the establishment of the Exchanges within such narrow limits. For the State the business of the Exchange is not an aim of itself. The | This is the first recognition of the subject I can trace in Germany, and was the commencement of the agitation for Reform, which culminated in the legislation of 1896. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1888 | Germany . . . | "interest of the community of our fellow-citizens is not in the same proportion concerned in the regulation of the grain trade in the Exchanges, as in the reaction it exerts on the production and consumption of grain; in the former the majority co-operates, and in the latter, the whole. The purpose of the Corn Exchange, then, is to further sales and the profitable remuneration of national agriculture, and to assist the requirements of consumption." | |
| 1891 | England . . . | <i>The Association of Chambers of Commerce of the United Kingdom.</i> Resolution and Bill passed unanimously: "That this Association approves the Bill introduced into Parliament by Mr. W. G. Ansell, M.P., with regard to dealings in (fictitious) pig iron warrants (options), and will use every endeavour to support the same whenever it is before the House." This Bill was strongly supported by Sir R. Hingley, M.P., Sir A. Hickman, and others. The Bill became a dropped order, owing to the strong opposition to it in the House of Commons. | The arguments used in the debate corroborate mine. The object of the Bill was to protect producers from the depressing influence of gambling and from its injury to lawful trade, and from the ruin so caused to workpeople. The Bill aimed at the same protection as Leeman's Act secured for Bank Shares. It is the first official recognition of the subject in England. |
| 1892 | Canada . . . | <i>Copy of the Section of the Canada Criminal Code of 1892, which came into operation in March, 1893, prohibiting gambling in prices, and ordered by the House of Commons to be printed March 22, 1897.</i> <i>Gaming in Stocks and Merchandise.</i> 201. Every one is guilty of an indictable offence and liable to five years' imprisonment, and to a fine of five hundred dollars, who, with the intent to make gain or profit by the rise or fall in price of any stock of any incorporated or unincorporated company or undertaking, either in Canada or elsewhere, or of any goods, wares or merchandise: (a) without the bona fide intention of acquiring any such shares, goods, wares, or merchandise, or of selling the same, as the case may be, makes or signs, or authorises to be made or signed, any contract or agreement, oral or written, purporting to be for the sale or purchase of any such shares of stock, goods, wares, or merchandise; or (b) makes or signs, or authorises to be made or signed, any contract or agreement, oral or written, purporting to be for the sale or purchase of any such shares of stock, goods, wares, or merchandise in respect of which no delivery of the thing sold or purchased is made or received, and without the bona fide intention to make or receive such delivery. 2. But it is not an offence if the broker of the purchaser receives delivery, on his behalf, of the articles sold, notwithstanding that such broker retains or pledges the same as security for the advance of the purchase money or any part thereof. 3. Every office or place of business wherein is carried on the business of making or signing, or procuring to be made or signed, or negotiating or bargaining for the making or signing of such contracts of sale or purchase as are prohibited in this section, is a common gaming-house, and everyone who, as principal or agent, occupies, uses, manages, or maintains the same is the keeper of a common gaming-house. (51 Vict. c. 42, ss. 1 and 3.) | Lord Dudley and Lord Salisbury, in the House of Lords, during the debate on this question in 1890 and 1897, both said "they had not been able to discover that any legislative measures had been passed on the subject." Lord Salisbury adding, "expressing the well-known German measure." Surely they should have known about Switzerland and Canada? The reason for the passing of this Act was to protect the Canadian producers from, as well as checkmate, the American gamblers who threatened to transfer their nefarious operations to the Dominion. England, and elsewhere, directly the U.S. Anti-Option Bill became law. This latter was looked upon as a certainty at that period. |

Habitually frequenting places where gaming in Stocks is carried on. 202. Every one is guilty

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|--|---|
| 1892 | Canada | of an indictable offence and liable to one year's imprisonment who habitually frequents any office or place wherein the making or signing, or procuring to be made or signed, or the negotiating or bargaining for the making or signing of such contracts of sale or purchase as are mentioned in the section next preceding is carried on. (51 Vict. c. 42, s. 1.) | |
| 1892 | United States . . | A Committee of Agriculture appointed by the Senate to investigate and report upon fictitious dealings in agricultural products, by options, futures, puts and calls, etc. February 3, 1892. | I hold copies of all the evidence and Reports. The R.C. on Agriculture and the members of Her Majesty's Government have had copies in their possession. They all confirm my views. |
| 1892 | United States . . | The Senate appoint the first special commission to investigate and report, April 19. The results of these reports were an anti-option Bill. | |
| 1892 | Germany | The Imperial Government initiated the first inquiry into the Stock and Produce Exchanges. This arose out of a series of disastrous bankruptcies of Banks, and out of the growing distrust shown towards the Exchanges by public opinion. The Report of 1893 pointed to the hope that the Exchanges would take the initiative, and suggested a "middle course," to avoid the necessity of Government interference. | |
| 1893 | Germany | The Farmers' Alliance or Bund der Landwirthe. "Your indefatigable crusade against gambling "of so many years, both as regards corn, cotton, "etc., is sure to command the sympathy of all "farmers here. The arguments contained in "your book, which are the best exposition of the "system we have ever seen, will form subjects "for debate in our next Conference, and will be "freely quoted from. Hoping you will give us "further information, and support us with your "interesting experience." | |
| 1893 | Argentina | The Argentine Government proposed legislation re gambling in the "gold paper currency." They proposed to appoint a controller of the Bourse, who would be furnished with the names of all persons conducting "Time-Bargains" in order that control over the gambling might be exercised. | Extract of letter from Mr. J. C. Bennis, 1894. "The most "important men in this "country are interested (peculiarly) in the Exchange, "and have more so than any "country in the world, hence "antagonism to Bourse reforms." I may remark it is the same in all countries. |
| 1893 | France | The Government passed the Bourse Taxation Bill. | The first official movement in France. |
| 1898 | England | Lord Winchelsea, President National Agricultural Union: "I have no doubt you are on a right "track." | |
| 1893 | United States . . | Mr. C. Wood Davis, the "pioneer" of the movement in the United States: "It is most gratifying to "know that the German farmers are moving in "the matter, as it will be necessary to close all "avenues to the gamblers to put a stop to the "evil; hence the desirability of 'International' "action." | |
| 1893 | United States . . | President Cleveland, in his inaugural address at Washington, March 4, 1893: "The existence of "an immense aggregation of kindred enterprise "and combinations of business interests, formed "for the purpose of limiting production and "fixing prices, is inconsistent with the fair field "which ought to be open to every independent "activity. Legitimate strife in business should | The American farmers, with the object of raising values, formed a combination to limit production, in order to counteract the combination of the Produce Exchanges in this gambling. The combinations, Trusts, Syndicates, &c., throughout America, in the |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|---|--|
| 1893 | United States . . | "not be superseded by an enforced concession to "the demands of combinations that have the "power to destroy, nor should the people to be "served lose the benefit of the cheapness which "usually results from wholesome combinations. "These aggregations and combinations fre- "quently constitute conspiracies against the "interests of the people, and in all their phases "they are unnatural and opposed to our Ameri- "can sense of fairness." | commercial and in the financial world have been acrimonious acknowledged cause of ruin to America as a nation. No conspiracy has been more detrimental to the interests of the people than the combination of capitalists in the produce exchanges, under the option systems, combined with the elevator monopolists. |
| 1893 | Germany | Parliamentary Committee on the Exchanges Bill decided to suppress the gambling with margins in wheat, etc. | The official commencement of the recognition of the question in Germany which terminated in the legislation now in operation. |
| 1893 | England | Mass Meeting at Stoudbroom, Derbyshire. Exchange gambling condemned. | |
| 1893 | England | Norfolk Chamber of Agriculture. Resolution passed: "That the Norfolk Chamber of Agricul- "ture is of opinion that the system of gambling "in wheat and other produce, known as options "and futures, paralyses legitimate trading and "injuries producers." | |
| 1893 | Russia | The Imperial Bank informed the St. Petersburg and other banks by circular that in order to place obstacles in the way of speculative dealing, it will grant no advances or call except to such an extent as may be required by the effective withdrawal of deposits by banking customers, or by the needs of commerce. Russia also prohibited these gambling systems in "fictitious" products, unless the seller can prove that at least one-third of the goods are really existing. Gambling in "fictitious" products is prohibited in consequence, and none takes place throughout Russia on the produce exchanges. | And yet the banking world in England thrives on speculative dealings, and offers them every facility. This is the first official action in Russia. |
| 1893 | France | M. Vigier, Minister of Agriculture, announced that the Government intended to present a series of measures destined to restrain speculation. These measures will comprise the diminution of time during which wheat may be left in the depôts, which enables large speculators to store the grain for several years. The Bill for reducing to one year the period for which cereals may be bonded was signed by President Carnot in February 1894. | This followed on the Bourse Taxation Bill. |
| 1894 | Germany | The Government passed the Bourse Taxation Bill. | The first legislative action in Germany consequent on the Parliamentary Committee of 1893. |
| 1894 | Germany | The Government prepare a Law for the organisation of the Exchange. This Bill was framed at the instigation of a special Parliamentary Commission. | For full particulars, see my cross-examination in Blue Book, vol. II, pp. 205, 206. |
| 1894 | Belgium | Special Parliamentary Inquiry appointed by the Government. Result was a Government Bill. | Confirms my views. I hold a copy. This is the first official movement in Belgium. |
| 1894 | England | Mr. W. Long (present Minister of Agriculture) replied, as a member of the Royal Commission, in return to Sir R. Giffen's remarks when cross-examining C. W. Smith, April 6 (Blue Book, vol. ii, page 60, 15751): "I should rather object "to the inference that the Bill is a Jewish man "because he loses money. If the inference were "correct, would not that be a reflection on the "farmers in this country, many of whom are | It is inconceivable how Mr. Long, as the "official champion of "British" agriculturists," while acknowledging my views in 1893, besides thoroughly grasping himself the position of the British farmer under these systems in 1894, could have signed the Report of the R.C. in 1897, entirely opposed to his own views. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1894 | England | "losing money? The Bull who buys on a future "or option contract buys it of his own accord, to "make money at it as a gambler; but the poor "farmer is the sport of the gambler: he never "buys anything, he has not a casting voice in the "matter of ruling the prices of the commodity "which he grows; it is the Bull and the Bear "between them who regulate that price ahead; he "simply stands and grows the produce in order "to create this gamble." | Surely our agriculturists will require some explanation from their Minister of Agri- culture. |
| 1894 | Germany | Copy of letter from His Excellency Count V. Hatzfeldt, the German Ambassador, London. German Embassy, London: March 15, 1894. Sir,—I am instructed and have the honour to inform you that His Majesty the Emperor has graciously been pleased to accept the copy of your book on <i>Commercial Gambling</i> , which you were good enough to offer to him. By command of His Majesty I am to convey to you his thanks for the kind attention which you have shown to him. At the same time, I have the honour to acknowledge the receipt of your letter of December 17 last, forwarding a copy of your work and a pamphlet relating to it for my acceptance. I beg to thank you for these books, which I have found to be of great interest. I have to apologise to you for the delay occurred in this matter, which I assure you was quite unintentional, and beg to remain,—Yours truly, (Signed) V. HATZFELDT. C. W. Smith, Esq. | I had the honour in 1893 of submitting to His Majesty a copy of my work, as a result of His Majesty's own in- quiries in this country re- garding free and fair trade. |
| 1894 | United States | Final verdict of the United States Sub-Committee's official report to the Senate on agricultural depression. "Having discussed this subject somewhat at length "when assigning causes of depression, nothing "further is needed in this place than to demand "that the business be abolished and prohibited "under heavy penalties. It ought to be made "a felony, and punished by imprisonment. If "the business is wrong in itself and hurtful it "ought not to be tolerated." | The same report truly remarks "that it is the price ruling "in Liverpool, England, "which practically governs "the value of the surplus of "foreign crops, as well as to "a large extent the value of "home crops." As "options "and futures" are the con- "tracts referred to, those "gambling contracts in "feti- "tious" wheat and maize "regulate the values the world "over. |
| 1894 | United States | Copy of letter from Senator W. H. Hatch, intro- ducer of the (Hatch) Anti-Option Bill in the House, Fifty-second Congress. Committee on Agriculture, House of Representatives, U.S.A., Washington, D.C., May 26, 1894. I have received your esteemed favour of May 18. I send you Bill and Report. I am glad that the documents reached you, and that they were of service to you in your crusade against this worst foe of agricultural interests, the fictitious sale of farm products. I am more than pleased at the prospect of success in the attempt at controlling or preventing the iniquitous practice in the countries of Europe. I certainly wish you God-speed in your righteous work. The Bill is now upon the House calendar, having been favourably reported from the Committee, the sanction of the Speaker and the Committee on Rules also being in its favour. It will be called up for discussion within the next two weeks, and I am confident of its passage by a very large majority. I will send you copies of the Record containing the discussion, and showing the dis- | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|---|
| 1894 | United States | position made of the Bill when it shall have been taken up in the House. (Signed) W. H. HATCH, Chairman. C. W. Smith, Esq. | |
| 1894 | United States | Extract of letter from Mr. C. Wood Davis. Kansas, U.S.A., November 24, 1894. I am glad to learn that the crusade you have undertaken promises to bear fruit on the Conti- nent as well as in England, and trust that you may have the great satisfaction of seeing, as a reward for your labours, a stop put to the per- nicious system the world over. | |
| 1894 | Germany | The official organ of the <i>Einzel der Landwirthe, Landwirthe and Farmers' Alliance</i> . Berlin, Germany, November 14, 1894. Significant of the fact that "future" gambling is considered everywhere the cause of great dis- turbance of honest trading and the economical welfare of nations is that a movement against it is gaining ground in all countries, even in America and England. The champion of this anti-movement, and the advocate of international agreements, is Mr. C. W. Smith, of England. Formerly for many years produce broker, he has a good reputation in English business circles. He has during his experience come to the con- clusion that the system of the "future" produce business is in the highest degree ruinous for the national welfare, and even more so deadly for the state of the agricultural industry. His decision must be considered as a completely able and unbiased one. Mr. Smith has put himself the remedy of this evil as the unselfish, patriotic aim of his life, and particularly the agricultural interests, from whose representa- tives (who suffer, like ours, mostly from the evils of the produce exchange gambling) he has received support and mutual sympathy in his views. | From 1894-1897 I have received a large number of private and official letters from eminent German politicians, agricul- tural societies, &c., to a similar effect. I do not re- produce them, because the Government Bill, passed in 1894, and the overwhelming majority which supported it in the Reichstag, speak volumes in corroboration of my views. |
| 1894 | Belgium | Extract of letter from Monsieur Edm. Lepoet. I send you here inclosed a project of Bill deposited in our Belgium House of Parliament this summer. It has not yet been discussed, owing to the revision of our Constitution, which has prevented our deputies from holding themselves busy with any other question. As soon as that matter will be brought in discussion I will forward to you the various documents that I will be able to gather. I intend to translate your lecture and have it printed in the "Revue Agronomique," if you will allow me to do so. I think it will prove very interesting to our Belgian statesmen. | |
| 1894 | United States | "A BLOW AT GAMBLING IN FUTURES!" "General Call for an Anti-Option Convention." "The Commercial Bodies of Vicksburg invite "those opposed to Gambling in Staple Products "to join in its suppression." "To Cotton Planters, Grain Growers, Factors, Com- "mission Merchants, Bankers, and all others "interested in the Agricultural Interests of the "Country." "The undersigned, a joint committee of the "Vicksburg Board of Trade and the Vicksburg | This, amongst many other simi- lar appeals, will give some idea of the attempts made by American farmers to unite in order to secure an Anti- Option Bill. Unfortunately, the farmers are scattered over a vast area, and find united action most difficult, whilst the capitalists, who live on them, are organised in their command of the produce exchanges, rail- ways, elevators, newspapers, and market prices, and are |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1894 | United States | <p>"Cotton Exchange, desire to call your earnest attention to a Convention to be held in the city of Vicksburg, Miss., on the 30th day of November, with the view of impressing upon the United States Senate the importance of passing the Hatch Bill or some kindred measure at the coming session of Congress. We also appeal to you for your hearty co-operation, and ask you to use your influence with others in your vicinity in this behalf.</p> <p>"The present condition of the Hatch Bill is such that, with the proper efforts by its friends in the agricultural States, there can be little doubt of its being passed and receiving the signature of the President.</p> <p>"It passed the House by an overwhelming majority, and there is a reasonable hope that a majority of the Senators are favourable to it in its present form or to it as it may be amended, to make it more effective.</p> <p>"The work in hand is to secure action on it by said body as promptly as possible. While two-thirds of the Senators may be opposed to 'future gambling,' there are some who are opposed to attempting its suppression by the Federal Government, and they might so delay action on this bill, or any similar one, as to defeat it. It is to guard against this delay that this convention of the people is called to meet in the centre of the Cotton Belt. It should be a large and influential convention, and it should take such measures as will prevent the dangerous delay to which we have alluded.</p> <p>"In this appeal to the people to aid in suppressing this great evil which has fastened itself in our commerce and agriculture, we can only refer to a few of its worst features. 'Future gambling,' as it is universally termed, is at present the protection of some of our largest trade bodies. It is backed by an unknown and vast amount of money. It has invaded banking, commerce, and agriculture to such an extent that it is no exaggeration to state that more money is employed in gambling in some of the exchanges in the cities than is employed in legitimate commerce.</p> <p>"Its pernicious effects are so seriously felt that it is a matter of grave doubt whether the law of supply and demand regulates the price of leading agricultural products. To illustrate this we would only refer to one exchange. For many years the New York Cotton Exchange has done little except to bet on the price of cotton. At this exchange, in a single month, the sales (lots) of <i>Arctostaphylos</i> cotton have reached the total of the average crop of the United States, 8,000,000 bales, and in one year over 50,000,000 bales, while the sales of actual cotton during same year at New York were only 193,000 bales and the net receipts of actual cotton at that port were only 107,000 bales. Such bets cannot possibly aid in the rapid handling and delivering of cotton, and in securing its manufacture and sale to consumers. On the contrary, the effect can be nothing but evil, and the longer it is permitted the greater the extent to which the evil will be carried.</p> <p>"This is but a single illustration. If there was any way of presenting the actual statistics of future gambling in cotton, wheat, corn, oats, and other agricultural products in New York</p> | able to use their vast powers to influence official and public opinion in order to retard anti-option legislation. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1894 | United States | <p>"Chicago, St. Louis, New Orleans, and other cities, the showing would be such a one as to arouse the people all over the Republic.</p> <p>"The people are masters of the situation, but they must unite and act. When there is no longer reason to doubt the sentiment of the people their wishes will be enacted into law, and that law will be executed.</p> <p>"In view of the foregoing we hereby invite all persons in sympathy with the purposes of this convention to attend, and it is desired that all communities be represented.</p> <p>"Senators and Representatives from this and other States favourable to the movement are invited and expected.</p> <p>"Arrangements have been made with transportation lines for reduced rates."</p> <p>Signed by the Chairman and Members of Committee.</p> | |
| 1894 | England | Council meeting of the Central and Associated Chambers of Agriculture, London. Resolution passed: "That in the opinion of this Council the system of gambling in wheat and other produce known as 'options and futures' paralyzes legitimate trading and injures producers." | Passed by delegates representing all Counties, and some 25,000 agriculturists |
| 1894 | England | Church Forward Movement, London. "Severe condemnation of commercial and financial gambling under the 'option and future' systems." | |
| 1894 | England | Northamptonshire Chamber of Agriculture. Resolution passed: "That the Northamptonshire Chamber of Agriculture is of opinion that the system of gambling in wheat known as 'options or futures' paralyzes legitimate trading and injures producers, and is of opinion that it is desirable that a Select Committee of the House of Commons should be appointed to inquire into the subject." | |
| 1894 | England | House of Commons. Debate introduced by Mr. Radcliffe Cooke, M.P., who asked the Government to place some restrictions upon speculative time-bargains in produce, such as the American Senate had proposed. | Mr. Mundella, President of the Board of Trade, replied. He ignorantly referred to salt rings, &c., and quoted Mr. W. H. Smith's opinion, "that it was best to leave options alone, as they would put an end to themselves." Such will never be the case. They are too lucrative to the produce gamblers. Only Government interference can. |
| 1894 | England | Meeting in Exeter Hall, London, of the Anti-Gambling League. The Chairman, Mr. Perks, M.P., strongly condemns gambling in the produce of the earth under options and futures. | |
| 1894 | England | Colonel Pursey Fitzgerald, late Vice President, National Agricultural Union. "I believe Mr. Charles Smith has hit on a very sound theory for the depression of agriculture. The Jews are in the swim, I believe." | The Jews originated the systems all over the world. The Christians have since joined. At the present period, one is as guilty as the other, all living on a gamble at the expense of the producers, whether of produce or of metals. |
| 1894 | England | National Agricultural Union. From Mr. A. T. Matthews, Secretary: "I laid before the Organising Committee yesterday your evidence before the Royal Commission; they passed a resolution thanking you for the same. It will be laid before the Council at their next meeting. Personally I heartily agree with you, and will do all in my power to bring the matter to the front." | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|---|--|
| 1894 | England . . . | <i>Central Chamber of Agriculture.</i> Mr. R. H. Rew, Secretary: "I wish you would draft your Bill. When it comes in that form we shall discuss the subject again." | |
| 1894 | England . . . | <i>Central Chamber of Agriculture.</i> Mr. R. H. Rew, Secretary: "I will gladly give you any help in my power, for personally I believe that the "gambling in corn and other produce is iniquitous and detrimental to the interests of "producers." | |
| 1894 | United States . . | <i>The First Anti-Option Bill introduced.</i> It was proposed by Mr. August Post, Secretary of the National Farmers' Alliance, by which body it was endorsed. Introduced into Congress by Mr. Butterworth. On his retirement, Mr. Hatch, of Missouri, took charge. It passed the House of Representatives by three to one, but failed to reach the Senate before adjournment. Mr. George also introduced a Bill. Mr. Washburn, of Minnesota, also introduced a similar measure in the Senate. This was passed by four to one, just before the end of the session, and sent to House of Representatives. In order to obtain a hearing for it out of the regular order of business, it was necessary to obtain a majority of two thirds; on a motion for it before the House, 172 members voted for it and 124 against. Thus the motion was lost. | Owing to capitalist combinations. Again owing to the same cause. |
| 1894 | Hungary . . . | <i>Extracts of various letters from Dr. H. Bernuth.</i> <i>November 6.</i> "I think it desirable to communicate your views "and ideas to our legislators. Therefore I shall "print the lecture, and send it to all these "interested in the question." <i>November 15.</i> "The Prime Minister, replying in the House of "Commons during the debate last Tuesday to "Count Karalyi, one of the leaders of the "Agrarian party, promised to pay attention to "this important question, and take measures "against this gambling after the American "example. I think this is a victory for you and "for me. The public opinion is now on our side, "and there is no doubt now, as soon as the "anti-gambling bills become law in Germany "and in the United States, we shall imitate "them. We owe much for this turn to you." <i>November 29.</i> "The farmers are awakening; we get congratula- "tions from all parts of the country, and even "the Committee of the Produce Exchange is "willing to do something to assist the cause. "Even Croatian papers are now on the same "footing as we are, and demand legislation "against this new evil, and remedy for the ruin "of their farmers and agriculturists." | This was the commencement of an agitation amongst Hungarian producers that terminated in an official inquiry. |
| 1894 | United States . . | <i>Copy of letter from Mr. C. Wood Davis, one of the largest farmers, and an acknowledged leading grain statistician.</i> <i>November 3.</i> "We are now seeing how effective an instrument "for the depression of prices 'short selling' can "be made. With a maize crop that gives an "aggregate product of not more than 66 per "cent. of our ordinary home requirements, even "supplemented by the feeding of as much as "100,000,000 bushels of wheat to domestic | This confirms my previous evidence, given before the H.C. in May of the same year, "that owing to the existence "of these gambling systems "in trade and finance, "the depreciation in wheat "alone was from 10s. to 15s. "per quarter below its natural "level in that year when Eng- "lish wheat fell to 17s. 6d." In 1897 there is not a leading trade journal or statistician who does not now admit |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|--|--|
| 1894 | United States . . | "animals, and with the maize crop of the entire "world but 50 per cent. of an average, yet the "price is kept at what it should be with an "average yield, simply by 'short selling' and "hedging." "This, too, in face of the fact that the entire "visible" of maize is less than a week's com- "mercial supply, and the current receipts but 25 "per cent. of the normal. What better example "of the power of the short-seller could be de- "vised?" "There will, in my opinion, be fully 100,000,000 "bushels of wheat fed to domestic animals be- "tween June 30, 1894, and July 1, 1895, in the "United States. So great is the consumption "of wheat, and so great has it been since "harvest, that while we have passed but one- "third of our harvest year, the wheat crop has "gone into consumption to such an extent that "millers are scouring the country for supplies. "This is something that has never before "occurred since this country was opened to "cultivation, and yet prices are at the lowest "point ever recorded." "The same is true of swine products which have "been greatly depressed in price by the operations "of the great packers (curers of meats) who "desire to get the price of swine down, so that "they may buy the raw material (pigs) low "during the winter packing season, which com- "mences November 1 each year." | that the present price ought to be from 10s. to 15s. higher than it is to-day—if prices were regulated by the world's supply and demand, while many authorities now assert that only option gambling can be the cause for it. There is no other. |
| 1894 | Germany . . . | <i>His Imperial Majesty, the German Emperor, when opening the new Reichstag, announced the introduction of two Government measures, in connection with agricultural depression, to remedy the evils resulting from Bourse or Produce Exchange speculations, as well as to protect the trading and industrial community against unfair trade competition.</i> | The good of the country and the general well being of the masses seem to be the moving legislative Government factor in Germany, to the exclusion of the political votes-counting system so prevalent with us. |
| 1894 | England . . . | <i>Sir M. Hicks Beach, M.P., Present Chancellor of the Exchequer.</i> —"I am much obliged to you for sending me a copy of your evidence (prepared statement) before the Royal Commission on Agriculture. The subject dealt with is both interesting and important, and though just at this moment I am too busy to be able to attend to it, yet I shall certainly do so as soon as I have a little time at my disposal." | Satisfactory as far as it goes, but result not up to 1897. |
| 1894 | England . . . | <i>Mr. H. Gardner, M.P., late Minister of Agriculture.</i> —"He is glad that your views as to the causes of trade and agricultural depression are receiving attention at the hands of the Royal Commission." | Satisfactory in 1894, but most unsatisfactory has been the result in 1897. |
| 1894 | England . . . | <i>Sir Courtenay Boyle, Permanent Secretary of the Board of Trade.</i> —"The subject which you are studying is a most important one, and I assure you that I shall watch with interest the light which your investigations throw and will throw upon it." | Yet, since 1894, the Board of Trade has been the one Government department that has done its utmost to squash my work, and throw discredit on my subject. Who is the "official" responsible for it? There can only be but One, Sir R. Giffen. |
| 1894 | England . . . | <i>Mr. A. J. Mundella, President, Board of Trade.</i> —"As the subject to which you refer appears to concern largely the Agricultural Department, Mr. Mundella has taken the liberty of forward- ing your letter and the accompanying books, &c., to Mr. Herbert Gardner, President of the Board of Agriculture." | It is a matter for the Agricultural Department to look into, as in all other countries. It affects our farmers as regards all cereals, but exercises a vast influence on commerce and trade in connection with all products gambled in by the option system. Wheat is the ruling cereal over all others. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| 1894 | England | <i>Central Chamber of Agriculture.</i> Mr. R. H. Rev. Secretary: "I wish you would draft your Bill. When it comes in that form we shall discuss the subject again." | |
| 1894 | England | <i>Central Chamber of Agriculture.</i> Mr. R. H. Rev. Secretary: "I will gladly give you any help in my power, for personally I believe that the gambling in corn and other produce is iniquitous and detrimental to the interests of producers." | |
| 1894 | United States | <i>The First Anti-Option Bill introduced.</i> It was proposed by Mr. August Post, Secretary of the National Farmers' Alliance, by which body it was endorsed. Introduced into Congress by Mr. Butterworth. On his retirement, Mr. Hatch, of Missouri, took charge. It passed the House of Representatives by three to one, but failed to reach the Senate before adjournment. Mr. George also introduced a Bill. Mr. Washburn, of Minnesota, also introduced a similar measure in the Senate. This was passed by four to one, just before the end of the session, and sent to House of Representatives. In order to obtain a hearing for it out of the regular order of business, it was necessary to obtain a majority of two thirds; on a motion for it before the House, 172 members voted for it and 134 against. Thus the motion was lost. | Owing to capitalist combinations. Again owing to the same cause. |
| 1894 | Hungary | <i>Extracts of various letters from Dr. H. Bornat.</i> November 6. "I think it desirable to communicate your views and ideas to our legislators. Therefore I shall print the lecture, and send it to all those interested in the question." November 15. "The Prime Minister, replying in the House of Commons during the debate last Tuesday to Count Karalyi, one of the leaders of the Agrarian party, promised to pay attention to this important question, and take measures against this gambling after the American example. I think this is a victory for you and for me. The public opinion is now on our side, and there is no doubt now, as soon as the anti-gambling bills become law in Germany and in the United States, we shall imitate them. We owe much for this turn to you." November 29. "The farmers are awakening; we get congratulations from all parts of the country, and even the Committee of the Produce Exchange is willing to do something to assist the cause. Even Croatian papers are now on the same footing as we are, and demand legislation against this new evil, and remedy for the ruin of their farmers and agriculturists." | This was the commencement of an agitation amongst Hungarian producers that terminated in an official inquiry. |
| 1894 | United States | <i>Copy of letter from Mr. C. Wood Davis, one of the largest farmers, and an acknowledged leading grain statistician.</i> November 3. "We are now seeing how effective an instrument for the depression of prices 'short selling' can be made. With a maize crop that gives an aggregate product of not more than 66 per cent. of our ordinary home requirements, even supplemented by the feeding of as much as 100,000,000 bushels of wheat to domestic | This confirms my previous evidence, given before the R.C. in May of the same year, that owing to the existence of these gambling systems in trade and finance, the depreciation in wheat alone was from 10s. to 15s. per quarter below its natural level in that year, when Eng. "ish wheat fell to 17s. 6d." In 1897 there is not a leading trade Journal or statistician who does not now admit |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|---|
| 1894 | United States | "animals, and with the maize crop of the entire world but 50 per cent. of an average, yet the price is kept at what it should be with an average yield, simply by 'short selling' and 'hedging'." "This, too, in face of the fact that the entire 'visible' of maize is less than a week's commercial supply, and the current receipts but 25 per cent. of the normal. What better example of the power of the short-seller could be desired?" "There will, in my opinion, be fully 100,000,000 bushels of wheat fed to domestic animals between June 30, 1894, and July 1, 1895, in the United States. So great is the consumption of wheat, and so great has it been since harvest, that while we have passed but one third of our harvest year, the wheat crop has gone into consumption to such an extent that millers are scouring the country for supplies. This is something that has never before occurred since this country was opened to cultivation, and yet prices are at the lowest point ever recorded." "The same is true of swine products which have been greatly depressed in price by the operations of the great packers (curers of meats) who desire to get the price of swine down, so that they may buy the raw material (pigs) low during the winter packing season, which commences November 1 each year." | that the present price ought to be from 10s. to 15s. higher than it is to-day—if prices were regulated by the world's supply and demand, while many authorities now assert that only option gambling can be the cause for it. There is no other. |
| 1894 | Germany | <i>His Imperial Majesty, the German Emperor,</i> when opening the new Reichstag, announced the introduction of two Government measures, in connection with agricultural depression, to remedy the evils resulting from Bourse or Produce Exchange speculations, as well as to protect the trading and industrial community against unfair trade competition. | The good of the country and the general well being of the masses seem to be the moving legislative Government factor in Germany, to the exclusion of the political vote-counting system so prevalent with us. |
| 1894 | England | <i>Sir M. Hicks Beach, M.P., Present Chancellor of the Exchequer.</i> —"I am much obliged to you for sending me a copy of your evidence (prepared statement) before the Royal Commission on Agriculture. The subject dealt with is both interesting and important, and though just at this moment I am too busy to be able to attend to it, yet I shall certainly do so as soon as I have a little time at my disposal." | Satisfactory as far as it goes, but result not up to 1897. |
| 1894 | England | <i>Mr. H. Gardner, M.P., late Minister of Agriculture.</i> —"He is glad that your views as to the causes of trade and agricultural depression are receiving attention at the hands of the Royal Commission." | Satisfactory in 1891, but most unsatisfactory has been the result in 1897. |
| 1894 | England | <i>Sir Courtney Boyle, Permanent Secretary of the Board of Trade.</i> —"The subject which you are studying is a most important one, and I assure you that I shall watch with interest the light which your investigations throw and will throw upon it." | Yet, since 1894, the Board of Trade has been the one Government department that has done its utmost to squish my work, and throw discredit on my subject. Who is the official responsible for it? There can only be but One, Sir H. Giffen. |
| 1894 | England | <i>Mr. A. J. Mundella, President, Board of Trade.</i> —"As the subject to which you refer appears to concern largely the Agricultural Department, Mr. Mundella has taken the liberty of forwarding your letter and the accompanying books, &c., to Mr. Herbert Gardner, President of the Board of Agriculture." | It is a matter for the Agricultural Department to look into, as in all other countries. It affects our farmers as regards all cereals but exercises a vast influence on commerce and trade in connection with all products gambled in by the option system. Wheat is the ruling cereal over all others. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|---|
| 1894 | United States | <i>Mr. C. Wood Davis.</i> —"I trust your labours will be rewarded with the enactment of some law that will put an end to the present dishonest commercial practices in England; that Germany also will stop these practices; and that our Congress will finally pass the 'Hatch' Anti-Option Bill." | Germany is the only country of these three to deal legislatively with the evil up to the present. The power of the capitalist is too great in America and England. |
| 1894 | England | <i>Letter from Mr. Henry McNeill, Organising Secretary of the British Bimetallic League.</i> <i>London, August 6.</i> "Personally, I very deeply sympathise with your views as to the evil effects of commercial gambling, and the prejudice this causes to producers. In my own business—pig iron trade—"I have many times seen the injury which is done to legitimate trading by unscrupulous speculators, and I should rejoice at any legislation which put a curb upon the iniquity, so long as it did not interfere with the reasonable liberty of the subject." One of the most concrete illustrations of the damage done by unscrupulous speculation occurred some two years since. The Indian Budget had just been brought out, and the estimates of the then ensuing year were all upset, and the gold value of the rupee knocked down one penny, by an operation of a sale of silver in New York, which subsequent investigations seemed to prove was not more than 1,000 ounces, sold at a 'give away' price for the purpose of influencing the market. The price was telegraphed over here, and speculators here (London) and in New York 'beared' the market, and really made the price of the 1,000 ounces the market price, entailing an extra loss to the Indian Government of over 1,000,000 sterling that year on their exchange estimates. I will not fail to bring your letters &c. before the next meeting of our Committee" &c. | It will be seen that the Argentine Government proposed legislation to prohibit gambling in the fictitious gold paper currency; also that the Mexican Government has prohibited gambling in the fictitious mangle. Why should not the British Government also do the same in silver? It is only since silver was introduced as a gambling commodity into the London Produce Clearing House that its value fell into a state of panic, and a depreciation of 51 per cent.—say from 1890 to 1891. Such has been the result with all other commodities under these systems, and silver is no exception. Why should not bimetallists acknowledge this openly and honestly? |
| 1894 | England | <i>Meeting of the Committee of the Birmingham and Midland Counties Grocers' Association.</i> —Gambling in tea severely condemned. Considered an illegal practice &c. and injurious to all honest trading. | It was the gambling in the gold paper currency in Buenos Ayres, which resulted in the gold premium being forced up to 300, combined with the above depreciation in silver, that the world's financial and commercial panic was indirectly due to, and which culminated in the so-called "Baring Collapse" of 1890-1891. Full particulars were given in my "suppressed" evidence before the Royal Commission on Agriculture in 1894. |
| 1894 | England | <i>Worcestershire Chamber of Agriculture.</i> —Gambling in wheat severely condemned. | |
| 1894 | England | <i>Association of Chambers of Commerce of the United Kingdom.</i> Proposed resolution: "That the practice of selling non-existing produce, where actual delivery never takes place, interferes with the legitimate operations of trade, in which prices should be regulated by supply and demand, is mischievous and vicious, and ought to be stopped. That the Executive Council be requested to consult with the President of the Board of Trade as to the best means of meeting this evil." | I have already shown that this Association passed in 1891 a similar resolution on fictitious pig-iron. I have also quoted Sir C. Boy's comments on this remarks about this gambling given at this meeting. Resolution withdrawn largely in deference to Sir C. Boy's request. |
| 1894 | England | <i>Public meeting at Bristol under the auspices of the Bristol, Bath, and Chipstone Branches of the National Agricultural Union.</i> Resolution passed: "That the Rural Councils of the Bristol, Bath, and Chipstone branches of the National Agricultural Union are of the opinion that the system of gambling in 'fictitious' crops of wheat and other produce, known as 'options' and 'futures,' not only paralyzes legitimate | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|--|
| 1894 | England | "trade and honest speculation, but also is a direct cause for the depreciation of values, and thereby to the injury of producers; and it is considered necessary that immediate and urgent legislation with regard to these systems is absolutely necessary for the welfare of our agricultural and trade. That copies be sent to leading members of the Government &c. calling their attention to the great importance of the subject." | |
| 1894 | England | <i>Bullion Society of Great Britain, London.</i> —Resolution passed: "That this Society is of opinion that the system of gambling in 'fictitious' crops of wheat, silver, and other produce, known as 'options and futures,' not only paralyzes legitimate trade and speculation, but also is a direct cause for the depreciation of values, and thereby to the injury of the producer. The Society considers that immediate legislation with regard to this system is absolutely necessary; that copies of this resolution be sent to all leading members of the Government &c. calling their attention to the great importance of this subject." | In 1880, Mr. Leach, Director of the United States Mint, in a public speech, said: "The action of the National Banks and the Stock Exchange has virtually made silver a football for the Bulls and Bears, and there ought to be a law passed against this." Mr. Leach did not recognize the power of the Bears. It is well to record the fact that, in August 1887, silver witnessed its "record" lowest value in London, 25½d., with "Bears" selling November "options" at 22½d. A decline, since Mr. Leach uttered those words, of no less than 64 per cent.!!! |
| 1894 | England | <i>The Annual Congress of the National Agricultural Union, London.</i> Resolution passed: "That, in view of the injury done to legitimate trade and agriculture by speculative bargains under the future, option, and settlement systems, which tend to displace the natural law of supply and demand by the sale of 'fictitious' quantities, and to produce an artificial depression of the markets, prompt legislation is needed to render all sales illegal except those for actual delivery." | Passed by delegates representing all counties, and some 70,000 agriculturists. |
| 1894 | Belgium | <i>Project of the Government Anti-Gambling Bill,</i> deposited in House of Parliament. | The result of the special Parliamentary inquiry. |
| 1894 | America | <i>The Committee on Agriculture's Report to the House of Representatives on the Anti-Option Bill (H.R. 5653).</i> 1. To obtain revenue &c. 2. To relieve the producer of the destructive competition of sales of fictitious products &c. 3. To restore to the law of supply and demand that free action which "short selling" has destroyed &c. 4. That market quotations, instead of as now being made by limitless offers of the "short-seller," may again be determined by the offerings of real products &c. 5. To prevent the breaking down of prices of farm products by "short sales" &c. 6. That by restoring the functions of the law of supply and demand, now in operation by the limitless offers of the "short-sellers," relief will be given, and prosperity partially restored to more than 40 per cent. of our population who inhabit the farms &c. 7. To restore to the producer an honest market, and such prices as will follow the unfettered operation of the law of supply and demand, and thus bring prosperity &c. | This is a most important document, of which I hold a copy. It confirms my arguments <i>à toto</i> from beginning to end. |
| 1894 | England | <i>Worcestershire Chamber of Agriculture.</i> —Resolution passed: "The Council disapproved of the system of 'option' sales in agricultural produce." | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| 1884 | England . . . | <i>Council Meeting of the Central and Associated Chambers of Agriculture, London.</i> —Resolution passed: "That this Chamber disapproves of the present system of option and future sales of agricultural produce, and requests the Government to give the matter its immediate consideration." | Passed by delegates representing all counties, and some 25,000 agriculturists. |
| 1895 | England . . . | <i>Ludlow Agricultural Society.</i> —Resolution passed: "That, in the opinion of this Society, the system of gambling in wheat and other produce, known as the option, future, and settlement system, paralyses legitimate trading, and injures producers, and it is desirable to remedy, by prompt legislation, all sales illegal except those for actual delivery. That copies of this resolution be forwarded to the President of the Board of Agriculture." | |
| 1895 | England . . . | <i>House of Commons Gambling in Agricultural Produce.</i> —Mr. Henage, M.P., asked the Chancellor of the Exchequer whether the Government had now received any information in reference to any legislation or other steps to be taken by the United States, or any of the Governments of European countries, to prohibit gambling in agricultural commodities; whether the Government had given any consideration to this important question; and whether they intended proposing any legislation on the subject during the present session. The Chancellor of the Exchequer said he did not think that the Government would be able to pass legislation during the present session on this subject. | In what session will it take place? It rests solely with British agriculturists to insist upon legislation. |
| 1895 | England . . . | <i>The Farrington Branch of the National Agricultural Union.</i> —Gambling in wheat &c. severely condemned. The Chairman suggested "that the Government should take steps to see whether this system was or was not at the bottom of the agricultural depression." Resolution passed: "That a petition be addressed to the Berkshire County Council to request the Board of Agriculture to consider the advisability of legislation on the system of gambling in wheat, and that Colonel Edwards be desired to take charge of such petition." | |
| 1895 | England . . . | <i>Berkshire County Council.</i> —Resolution passed: "That, in the opinion of this Council, it is desirable that a full inquiry be made into the practice of gambling in wheat, known as the option, future, and settlement systems, and that a copy of this resolution be forwarded to the President of the Board of Agriculture, with a request that the matter may receive his consideration." | |
| 1895 | England . . . | <i>The following is the text of a motion of which Mr. Henage, M.P., gave notice for March 12 in the House of Commons:</i> "That in view of the injury done to legitimate trade and bona fide speculation by selling non-existing quantities of agricultural produce, under the option system, and the fact that other agricultural countries in Europe and America have made inquiry, and are now proposing legislation to render all sales illegal except those for actual delivery, it is the duty of Her Majesty's Government to take immediate steps to inquire into this urgent and pressing subject with a view to legislation during the present session of Parliament." | Mr. Jeffrey's resolution took precedence by order of the Chair. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|--|--|--|
| 1895 | England . . . | <i>Address in answer to Her Majesty's Most Gracious Speech in House of Commons, on Feb. 7, by Admiral Field, M.P., on Mr. Jeffrey's amendment re depression in agriculture.</i> The address wound up by a great appeal to the right hon. gentleman on the Treasury Bench to supply the House with a printed statement of Mr. Smith's evidence before the Royal Commission on Agriculture, so that hon. members might judge of the weight of his evidence. | This was refused, and the evidence has never been published or brought before either Parliament or the public. |
| 1895 | England . . . | <i>Chester Farmers' Club.</i> —Subjects of complaint for depression. "Gambling in wheat and corn." Remedy: That an Anti-Option Bill should be passed. | |
| 1895 | England . . . | <i>Croydon Chamber of Commerce.</i> —Several members asserted that this question of gambling in "options" affected every branch of trade, and was largely responsible for the existing depression in British agriculture, and for an artificial depreciation of commodities. Further, that Mr. C. W. Smith be invited to address. | I regret I was too ill to do so. |
| 1895 | England . . . | <i>The Edenbridge Branch of the National Agricultural Union.</i> —Gambling in wheat severely condemned. | |
| 1895 | Germany, Austria, Russia, Switzerland. | <i>International Petition to the German, French, and Belgian Governments on behalf of the German-Austrian-Russian-Swiss Union of Wool Spinners, for the suppression of gambling in wool futures.</i> "By order and agreeably with the unanimous decision of the general meeting of the German-Austrian-Russian-Swiss Union of Spinners (dated Frankfurt-on-the-Maine, February 24, 1894), for the suppression of gambling futures markets for tops; and with reference to the accompanying address, the undersigned committee of this Union would respectfully submit:— "1. That the German textile industry, especially the combing, spinning, and weaving of wool, had developed satisfactorily up to the time that futures markets were inaugurated. "2. That the futures market, from a general economic point of view, as well as from its legal status, is quite unsuited for an article like tops. "(PART II. OF THE ADDRESS.) "3. That the whole of the German woollen textile industry since, and in consequence of the institution of futures markets for tops, has suffered severely, and must be exposed in an increasing degree to ever-recurring danger and injury. "(PART III. OF THE ADDRESS.) "And would submit the following most humble petition:— "1. That the most honourable Federal Council and Reichstag would be pleased, according to the resolutions of the committee appointed for this branch of the trade (Combination A. "Part. Terminal Trade III.)— "To most graciously take the necessary measures: "(a) That neither a futures market be carried on in tops in Germany, i.e. that no terminal quotations for tops may be published or officially registered. | This important petition fully corroborates my previous views of 1885 and since, of the ruin caused to our British cotton industry under exactly similar gambling systems in Liverpool. Is it only a coincidence that those engaged almost in the wool, coffee, and wheat industries all attribute the depreciation of prices to the gambling future markets? |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|--|---|--|
| 1895 | Germany, Austria, Russia, Switzerland. | <p>"(b) Nor that establishments for the settlement of terminal transactions in the foregoing said article may hereafter exist in Germany."</p> <p>"Should this petition, despite the reasons quoted in the address, not be immediately granted,</p> <p>"If. That the highly esteemed Federal Council would be pleased to hear the sub-committee, which, agreeably with the decision of the aforesaid full committee, is to be appointed from the representatives of all the branches of the industry concerned, in order to decide upon the propriety of terminal transactions with a view to investigate the effect of the futures market as at present carried on at Leipzig, and thus prepare the way for the granting of our prayer.</p> <p>"Furthermore, with reference to Part IV. of the address, we most humbly submit for your consideration whether it might be advisable—</p> <p>"Also to permit the respective authorities of the Empire to enter into negotiations with the Governments of the French Republic and the Kingdom of Belgium, as in both those countries—as mentioned in Part IV. of the address—endeavours to the same end have for a long time, and over a wide area of the trade, been made, more particularly as it is by concerted action that the dangers referred to in the textile industry of all countries can be most successfully combated.</p> <p>"Signed by the Committee of the German-Austrian-Russian-Swiss Union of Spinners for the Abolition of the Gambling Futures Top Market.</p> <p>"GROTZNACH & SCHELLER, in Dresden.</p> <p>"FRANZ DIETEL & SCHMITT, in Cosmansdorf.</p> <p>"HEINRICH DIETEL, in Wilkau."</p> <p>"KAMMGARSPINNEREI SCHAFER & Co., in Hartman.</p> <p>"PETRIKOVSKY & Co., in Schedewitz.</p> <p>"PETZOLD & ERBE, in Reichenbach.</p> <p>"C. F. SOLBRIG SOHN, in Chemnitz."</p> | |
| 1895 | Denmark . . . | <i>His Excellency the Danish Ambassador</i> writes: "I am aware that the subject excites much interest in Denmark." | |
| 1895 | Sweden and Norway. | <i>His Excellency the Ambassador for Norway and Sweden</i> writes: "Perhaps it will interest you to know that only three days ago a number of the Swedish Diet moved the adoption of certain legislative measures for preventing gambling in corn." | This is the first attempt at legislative action in this country. |
| 1895 | United States . | <i>His Excellency The Ambassador for the United States of America</i> writes "that he realises the profound importance of the subject, and welcomes every direct effort to penetrate the direct causes of the alarming depression in agriculture and find an answer for relief." | |
| 1895 | Germany . . . | <p>"The German <i>Chargé d'Affaires</i> presents his compliments to Mr. Charles W. Smith, and, under the instructions of his Government, has great pleasure in informing him that His Majesty the Emperor has been pleased to accept the copy of his <i>brochure</i> and other documents relating to 'International Gambling in Wheat' which Mr. Smith forwarded to His Majesty in his letter of the 9th ult. The German <i>chargé</i></p> | This courteous acknowledgment, particularly as legislation followed, is particularly satisfactory to me, because I feel that in Germany assistance from any quarter is welcomed by His Majesty the Emperor. When the well being of his country is at stake, and when once con- |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| 1895 | Germany . . . | " <i>d'affaires</i> is commanded to convey to Mr. Smith His Majesty's thanks for the kind attention." | viewed of the necessity of action, he acts straightforwardly and to the point. |
| 1895 | Belgium . . . | <p><i>His Majesty the King of the Belgians</i>.—"Sir, the King has received, with your letter of the 17th August, an example of your useful work, 'Commercial Gambling the principal Cause of Depression in Agriculture and Trade.' His Majesty, having consented to accept <i>l'hommage</i> of this publication, has commanded me to express to you his sincere thanks.</p> <p>(Signed) "Le Chef du Cabinet du Roi.</p> <p>"Palais de Bruxelles, August 22, 1895."</p> | As legislation took place the following year (1896), and was followed this year (1897) by an additional act, I trust that the literature forwarded by me to His Majesty, as well as to the leading members of the Government, were of some use. |
| 1895 | England . . . | <i>House of Commons. Mr. H. Chaplin, M.P.</i> (one of the R.C. on Agriculture), said in debate, "that men of commerce were agreed that, in consequence of the fluctuations in silver, business was now little else than 'a mere gamble' in exchange." | Never a truer word was spoken. Commerce and finance are now repressed, under the "option" systems, to a gambling pure and simple in "fictitious" products, and thereby the "capitalists" reign supreme over "prices" at the expense of the "producers." |
| 1895 | England . . . | <i>Herefordshire County Council.</i> Resolution passed: "That in the opinion of this Council it is desirable that a full inquiry be made into the practice of gambling in wheat, known as the 'option, future, and settlement system, and that a copy of this resolution be forwarded to the President of the Board of Agriculture, with the request that the matter may receive his consideration." | |
| 1895 | England . . . | <i>House of Commons. Mr. Jasper More, M.P.</i> , urged that, with respect to the price of wheat, it was really not regulated by the law of supply and demand, which was overridden by rings of speculators. He wished to know whether there would be any objection to our accepting the general invitation of the representatives of the farmers of Germany, Belgium, and Hungary, &c. to join in an inquiry into the alleged manipulation of prices by rings of speculators. It would be a very simple thing to do, and it would throw a good deal of light upon the grain trade. | This is an "international" question, into which each country must inquire separately, but vested interests and ignorance combine at present to oppose such an inquiry in England. The same struggle has occurred everywhere abroad. In England and America only, from the magnitude of the stake, will the struggle be more severe and prolonged. |
| 1895 | England . . . | <i>Monmouthshire Chamber of Agriculture.</i> Resolution passed "calling upon the Government to appoint a special commission to inquire into the effect on prices caused by international gambling in fictitious wheat and other produce." | |
| 1895 | Russia . . . | <i>January 26.—The Imperial Government</i> take decisive steps again to prohibit Bourse gambling transactions in shares, referred to in the Ministerial notice of the day before. | An advance on the 1893 legislation. It is not easy to obtain full information from Russia—at least I have not found it so. |
| 1895 | France . . . | <i>The Government</i> made a declaration in both Houses that in their Ministerial programme "we shall only ask you to pass some supplementary measures intended to defend our tillers of the soil against certain international speculations." | All tending step by step in the same direction—to defend the agriculturists from gambling capitalists. |
| 1895 | England . . . | <i>Lord Salisbury</i> , in answer to Mr. Jasper More, M.P., said "that the Government does not feel able to convoke an International Conference on the question of gambling in wheat and other produce, as suggested." | The German Reichstag passed a resolution in 1896 that the question should be brought before the Governments of all countries where this produce gambling exists. |
| 1895 | England . . . | <i>London Colonial Wool Brokers' Association.</i> Resolution passed: "That in the opinion of this | Thus confirming the action of the International Union of Spinners. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------------------|---|---|
| 1895 | Eng and . . . | "Association the effects of the terminal markets for tops (options and futures) are prejudicial to the interests alike of producer and consumer, and affect adversely the entire woollen industry." | |
| 1895 | England . . . | <i>Kingscote Agricultural Association.</i> Mr. R. H. Rew, Secretary of the Central Chamber of Agriculture, in a lecture, "What Parliament can do for Agriculture," said: "It can exhaustively inquire into, and if proved necessary take measures to prevent, speculation in wheat and other breadstuffs." | |
| 1895 | England . . . | <i>Gloucestershire Chamber of Agriculture.</i> Resolution passed: "That this Chamber considers it of the highest importance, in view of the proposed legislative measures by America and Continental countries, which have recognised the subject of international gambling in 'fictitious' produce as a cause of depreciation of prices, that it should be brought before the Prime Minister with a view to its being investigated by a Departmental Committee of the Board of Agriculture." | |
| 1895 | Eng and . . . | <i>Shalstone Branch of the National Agricultural Union.</i> Gambling in agricultural produce condemned. Recommended that a Bill be introduced like the American Anti-Option Bill. | |
| 1895 | Eng and . . . | <i>Lincolnshire Chamber of Agriculture.</i> Gambling in wheat &c. severely condemned by Mr. E. Heneage, M.P., and Mr. J. M. Richardson, M.P., as a direct cause of ruin to agriculture. | |
| 1895 | Eng and . . . | <i>Eastbourne Division, Conservative Association.</i> Gambling in wheat &c. severely condemned by Admiral Field, R.N., M.P., as a direct cause of ruin to agriculture. | |
| 1895 | Eng and . . . | <i>Selby Agricultural Club.</i> Gambling in wheat &c. severely condemned by Colonel Gunter, M.P., as a direct cause of ruin to agriculture. | |
| 1895 | Eng and . . . | <i>Stockton Chamber of Agriculture.</i> Resolution passed: "Seeing that gambling was the curse of the present generation, and that it was said 'gambling in wheat was the cause of low prices, and in view of the very low prices, which are one of the causes of the present depression in agriculture, this Chamber thinks it desirable that the system of gambling in wheat should be put a stop to, and asking for the influence of the Central Chamber in the matter.'" | Mr. W. J. Harris, the "champion" defender of these gambling systems and the witness referred to in p. 1, at the meeting of the C. and A.C. of Agriculture in 1894, said, "Occasionally his Liverpool house sold a few options on commission. When the American business commenced a few years ago, they had several orders to execute, but he found that the business involved such a fearful gambling system, that he forbade his firm to go on with it." (See also p. 47) |
| 1895 | England . . . | <i>Billesdon Branch of the National Agricultural Union.</i> "Gambling in wheat &c. condemned. The remedy was to apply the same law to that as in the case of bank shares." (Lee-man's Act) | |
| 1895 | Sax ny . . . | <i>The Farmers</i> petitioned the German Government to legislate. | The truth now spread to Saxony. |
| 1895 | The Croatian States . . . | <i>The Farmers</i> petitioned the Hungarian Government to legislate. | Also to the Croatian States. |
| 1895 | Rus ia . . . | <i>The Imperial Government</i> took steps to prohibit gambling in the "fictitious" rouble. | Recognising that "fictitious silver," like "fictitious wheat, wool, or other commodity," must, when gambled in, depress the price of the actual stuff. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------------|---|--|
| 1895 | England . . . | <i>Mr. C. T. Ritchie, M.P., President of Board of Trade.</i> Extract of letter: "On receipt of a copy of the draft Bill against commercial gambling to which you refer, he will gladly endeavour to find an early opportunity of perusing it." | This Bill I framed at the request of Mr. Ritchie, of the Vice-President of the Chambers of Commerce, and of the Secretaries of the Central Chamber of Agriculture and of the N.A.U. Various members of the Government hold a copy, as well as all leading foreign Governments. It completely prevents gambling in fictitious produce, whilst leaving legitimate speculation free and unaffected. |
| 1895 | England . . . | <i>The Duke of Devonshire K.G.</i> Extract of reply: "If you will supply me with a copy of the heads of a Bill referred to I will take an opportunity of laying it before the Duke of Devonshire." | |
| 1895 | England . . . | <i>The Duke of Devonshire</i> "doubts whether the practice in question, the evil results of which are self-evident, can be made the subject of successful legislative interference." | It is this argument that has been used by Lord Salisbury and by other responsible Ministers in face of the mass of Foreign legislation proving its absurdity. |
| 1895 | United States . . . | <i>National Farmers' Alliance.</i> "The people of the United States are becoming more and more awake to the necessities of anti-option legislation." | |
| 1895 | England . . . | " <i>Sir Henry Ponsonby is commended by the Queen</i> " to acknowledge the receipt of Mr. Charles Smith's "letter of the 27th ult. with the enclosed copy of his pamphlet (commercial gambling), which he has sent to Her Majesty." Privy Purse Office, Buckingham Palace, February 1. | |
| 1895 | England . . . | <i>Sir Francis Knollys.</i> "I have submitted your letter to the Prince of Wales, and am desired in reply to thank you for a copy of a publication relating to the present state of agricultural depression which you have been so good as to transmit for His Royal Highness' acceptance." Marlborough House, London, January 30. | |
| 1895 | Hungary . . . | <i>The National Agricultural Society of Hungary</i> hold a Commission. Examined witnesses and passed "the prohibition of 'option and futures.'" Petitioned the Government accordingly. | The outcome of the farmers' agitation. |
| 1895 | Hungary . . . | <i>The Produce Exchanges of Budapest</i> offer to reform their settlement systems. | The outcome of the farmers' agitation. |
| 1895 | Germany . . . | <i>Cohn and Rosenberg,</i> a commercial house in Germany, under the "option" system, flooded the German markets with foreign grain, causing artificial depression by which the German farmers lost millions, whilst Cohn and Rosenberg, by "bear" operations, made a fortune. In order to avert a universal panic the German Government had to utilise several millions of the national money on the produce exchanges. | For full particulars, see "Mark Lane Express Annual" of 1896. This was the "last straw" to compel Government interference by the introduction of a Bourse Bill. |
| 1895 | United States . . . | <i>Mr. Bankhead introduced an Anti-Option Bill</i> in the House of Representatives. Carried twice by an overwhelming majority (4 to 1) in December. Referred to the Committee of Agriculture, who voted by a majority of 9 to 4 to table it during that Congress | Of course the capitalists at once worked hard to kill it. |
| 1895 | England . . . | <i>Lord Winchilsea, President, National Agricultural Union.</i> "You may depend upon me keeping the question well before the Union, both from a national and international point of view." | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---|
| 1895 | England | <p><i>House of Commons. Gambling in Wheat.</i></p> <p>Mr. Jasper More, M.P., asked the Under-Secretary for Foreign Affairs if it was true that the United States and the German Government had introduced Bills to put down gambling in "fictitious" wheat contracts; whether the United States Sub-Committee's private Official Report to the Senate on Agricultural Depression gave gambling in wheat as one of the causes of the artificial fall in prices; and whether he would cause copies of the Bills, if introduced, to be laid upon the table of the House or the Library of the House.</p> <p>Sir E. Grey: "Copies of these Bills are not at present in the possession of Her Majesty's Government, but Her Majesty's Ambassadors at Berlin and Washington are being instructed to furnish reports on this subject for presentation to Parliament."</p> <p>In answer to <i>Admiral Field, M.P.</i>, Sir E. Grey said the Bill introduced into the Belgian Chamber on the same subject could also be procured if the honourable and gallant gentleman desired it.</p> <p>Mr. Hennessy, M.P., asked the Chancellor of the Exchequer whether the Government had received copies of the Official Reports of the Commissioners appointed to inquire into the depression in agriculture in the United States of America and in Germany, or of the Bills now before the Senate of the United States for the purpose of prohibiting gambling in agricultural commodities; whether they had had any communications from the Governments of the United States, Russia, France, Germany, or any other European country in reference to such legislation; and whether they proposed to take any steps to co-operate with foreign powers in regard to an understanding on this important international question.</p> <p>The Chancellor of the Exchequer said the Government had received no communication, and had entered into no negotiations with other States upon the subject. He entirely sympathised with his right honourable friend in his desire to put down gambling of all descriptions—(hear, hear)—but he was afraid they had hardly arrived at the point yet of doing that by international agreement.</p> <p><i>Reports from Her Majesty's Representatives in Germany, Belgium, and the United States on Legislative Measures for suppressing Gambling in Fictitious Wheat Contracts. Presented to both Houses of Parliament by Command of Her Majesty, April 1895.</i></p> <p>No. 1.—From Sir E. Malet to the Earl of Kimberley. Received February 25.</p> <p>No. 2.—From Sir F. Plunket to the Earl of Kimberley. Received March 4.</p> <p>No. 3.—From Sir J. Pauncefote to the Earl of Kimberley. Received March 11.</p> | <p>There were never three such misleading documents put before both Houses as these. The information given was almost worthless. It necessitated, at the advice of my friends, a journey to Berlin and to Brussels to put the matter right before the Government. But by issuing these documents both Houses were entirely misled as to the foreign Government action in the three countries, as well as to their proposed legislative measures. It almost seemed as if our representatives had never heard of "fictitious wheat contracts," or of the agitation regarding the gambling in them, which led to the foreign legislative action in question.</p> |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1895 | Belgium | <p><i>International Agricultural Congress at Brussels. Letter from the Secretary-General of the Congress. (Third International Congress).</i></p> <p>Ministry of Agriculture, Brussels, September 3.</p> <p>To C. W. Smith, Esq.</p> <p>Sir,—We have received with infinite pleasure the interesting communications that you have most kindly addressed to the Congress, and we thank you sincerely. To our great regret, it is not possible for our Committee to accept any more new subjects, for the very substantial reason that all the questions to be submitted to the discussion of the Congress have been already fixed since July. Consequently it will be impossible for us to introduce into the work of the Congress the interesting question (International Gambling in fictitious produce) that you propose. We shall, however, deposit your subject in the "Bureau" of the Congress for the use of the work of the sections.</p> <p>(Signed). T. VERNIEUWE.</p> | <p>This subject was introduced in the following year at the International Agricultural Congress at Brussels, with the result of a severe and united condemnation being passed.</p> |
| 1895 | England | <i>At the Bakers' Exhibition in London, on all sides, it was expressed that the serious state of agriculture, and the low price of wheat, are due to gambling in Options and Futures.</i> | |
| 1896 | Germany | <i>The Bourse Reform Bill introduced into the Reichstag, January 9.</i> | Of course, opposed vigorously by the capitalistic gamblers. |
| 1896 | United States | <i>The National Farmers' Alliance (four million members) passed a resolution at Chicago: "That 'all the delegates of the Alliance should be concentrated for this year (1896) to secure the enactment of the Anti-Option Bill before 'Congress.'"</i> | The farmers in America are now better organised and able to combine. |
| 1896 | England | <p><i>National Agricultural Union.</i> "The General Purposes Committee suggest that you should draft a Bill to be laid before the House of Commons, when it would doubtless meet with the general support of the Agricultural Party. The President expressed his willingness, should difficulties arise in bringing it before the Lower House, to introduce it himself in the House of Lords. Lord Winchilsea suggests, that before you incur any expenditure in drafting the Bill, he would like to have an interview with you, as there may be an alternative course."</p> | |
| 1896 | England | <i>National Agricultural Union.</i> At the meeting of the Central Council last week, a vote of thanks to yourself, moved by the President, was carried unanimously, for your untiring exertions in the cause of Agriculture in the direction of the great evil of gambling in produce. | |
| 1896 | England | <p><i>National Agricultural Union—Lord Winchilsea, President.</i> "Do you think, having regard to the substantial progress you have made abroad, of proceeding in the House of Lords this year by Resolution or Bill, or in what way would you put pressure on the Government? Have you a short statement, kept up to date, of the actual steps taken by legislatures, other than our own, to carry out your views—if not, would it not be useful? At least, it would convince people that the rest of the world thinks there is something in it. I trust I may be of use to you in the coming session of 'Parliament.'"</p> | It is hard for a private individual to keep himself posted in all the steps abroad taken on this subject, and I have no doubt that I have missed a large proportion of work done, although the official record may be fairly accurate. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|---|---|
| 1896 | Greece | <i>Mr. L. Deligorges</i> , writes: "The opposition which you are leading with so much knowledge and energy against 'fictitious' markets (options) in favour of universal commerce encourages me to address you, and ask you to give me your advice about the crisis now hanging over Greece on account of the raisins of Corinth. Here it is believed that 'ceci vendent à terme' (options and futures) held in Corinth in 'currents' find in consequence of the financial crisis our producers more feeble and less resistant than in other countries, and seriously hinder the price to rise. Let me know if we too must intervene a special law against these contracts, destructive of true commerce. A Congress will be held on this subject on September 27. The Congress has proposed to pass a Bill. The Congress believes that such a Bill would reduce the number of these contracts. The Chamber of Deputies will most likely occupy itself in the next session. The intervention of the law is the only means to 'expunge it.'" | Currents form the staple produce of Greece. This is an important letter, and demonstrates how, under these gambling systems, when the farmers are poverty-stricken, and in the hands of usurers or capitalists, the value of a commodity can be reduced to nil, and the agriculture of a country ruined. No commodity is safe under these systems of robbery and plunder. |
| 1896 | Switzerland . . . | <i>Mr. C. Hecous</i> writes: "I admire your energy for that important question of gambling. Gambling of Capitalists and of things naturally is the ruin of agriculture, so it is with coffee, sugar, etc. It is immoral, and if once the producers understand it they will protest. But you will do good if you push it. You merit well of agriculturists in all parts of the world." | Corroboration of my views. |
| 1896 | England | <i>The International Agricultural Congress at Budapest—Central Chamber of Agriculture.</i> Mr. R. H. Row, Secretary and Delegate. "I have fairly good sources of information, both private and public, and my impression (in the absence of voting, no one can have anything more) is that if the question of Options and Futures had been put to the International Agricultural Congress at Budapest as a whole, your views would have been supported by a 'majority, probably a considerable one.'" | I quite believe this estimate to be correct. |
| 1896 | England | <i>Warwickshire Chamber of Agriculture.</i> Resolution passed, "That this meeting begs to thank Mr. Smith for his very able address, and expresses the opinion that the question of international gambling in fictitious wheat and other products requires the earnest attention of Government and Parliament." | |
| 1896 | England | <i>A Council Meeting of the Central and Associated Chambers of Agriculture, London.</i> Resolution passed, "That the Government be asked to 'institute an inquiry into the present system of Option and Future sales of agricultural products.'" | Passed by delegates from all counties, and representing some 25,000 agriculturists. |
| 1896 | England | <i>The Sidcup and Fooks Croy Liberal Association.</i> Resolution passed. "That in the opinion of this Association, the artificial system of trading, styled 'Options and Futures,' has most seriously affected our agricultural interests in the South, and the cotton industry in the North, and we would pray her Majesty's Government to institute an inquiry into the whole working of this most pernicious system." | |
| 1896 | Ceylon | <i>Special Parliamentary Committee.</i> Commission reported to Government the recommendation of total abolition of Options and Future trading. | Based on the conviction, now general amongst German farmers, that their ruin was directly brought about by gambling in "fictitious produce." |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------|---|--|
| 1896 | England | <i>Associated Chambers of Commerce of the United Kingdom.</i> Proposed resolution, "That in the opinion of this Association the effects of 'Options and Futures for produce are prejudicial to the interests of the producers, as well as injurious to the industries of the country. That a copy of the foregoing resolution be forwarded to the President of the Board of Trade." | Resolution withdrawn—see previous remarks about former meeting. "Ignorance" formed the striking basis of the arguments used in the debate, which has only to be read, to be verified. |
| 1896 | Bohemia | <i>Count L. Kolowrat.</i> "During my stay in Vienna, I had the opportunity to talk with our highest authorities about your plans. There seems yet to be a feeling of discouragement among them to go ahead against 'Future gambling,' as long as England has not begun the first step. How could we stop in Austria the gambling, if our exchange still continues to quote daily Liverpool and Chicago wheat prices? Every line you write has to be seriously considered by our different governments, and ways and means will be found to stop by law, as I hope, the robbing of the farming class, as well as the legitimate trading. I do not think that there are much more than a hundred 'matadors' in wheat, who dictate the price all over the world and dispose of the welfare of millions. I sincerely hope that your question may be discussed during the 'International' Agricultural Congress at Brussels. What we expect from you is a plain and clear law, making 'Future gambling' impossible, without killing the honest Option trade. All Europe would be thankful to you." | To make this a world's success and remedy, it is absolutely necessary that America and England do prohibit these systems. It is the price ruling of fictitious contracts in these countries, which regulate to a very large extent the value of actual wheat all over the world. These two countries stand in the proud (?) position of being the principal gambling centres! |
| | | | Absolutely true. |
| | | | My bill is on exactly these lines. |
| 1896 | France | <i>Mr. Poincaré</i> writes: "It is yourself and Dr. Ruhland who deserve all the praise, and who will receive I hope one day the eternal gratitude of the agriculturists of the world. In gambling in money, its value is being lowered, just as is the case in gambling in corn, coffee, etc. My prayer is that people may universally recognise the truth of all your views, which you have for a long time addressed to the existing organization of 'Term Bargains,' and with regard to the suppression of gambling in commercial speculations of every kind." | The basis for gambling in silver, etc., lies in paper option contracts, representing fictitious money. Hence their depreciation. The basis for speculating in gold lies in the actual metal. Hence its appreciation. As the latter is held by the Gold-Fund, composed of International Capitalists, Bankers, etc., it is in their interest that the yellow metal should appreciate, and that of the white metal be correspondingly depreciated. I entered into full particulars in my prepared statement of evidence for the Royal Commission in 1894. Gold is the only leading commodity that does not come under these systems. The "capitalists" would not allow it. Gambling in gold in Argentina was created for a special purpose (see page 54) by the Gold Capitalists. |
| 1896 | Austria | <i>Bill introduced into House of Deputies.</i> | Copy I hold. |
| 1896 | Austria-Hungary | <i>His Excellency the Ambassador of Austria-Hungary writes:</i> "Referring to our letter of April 20, by which we acknowledge the receipt of your German work 'The Ruin of Agriculture,' and the copy of your address on 'International Gambling in Wheat, etc.,' both of which we submitted to our Government, I beg hereby to inform you that we have received a notification from the Imperial and Royal Government to the effect that these publications have been handed to the Ministers of Agriculture in Austria and Hungary, and directing us to express to you the thanks of both. The Austrian Ministry of Agriculture, I am desired to state, has been prompted, in view of the fact that you have on several occasions forwarded publi- | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------|--|---|
| 1896 | Austria-Hungary | "cations which have materially aided the " respective preparations in that department, to " present to you through the Embassy in return, " the enclosed report of the <i>Austrian House of</i> " <i>Deputies</i> . From this you will gather the " attitude of the Austrian Parliament relative " to the question of international gambling in " wheat, &c." | |
| 1896 | Austria | <i>Extracts of points of Legislation which the Austrian</i> <i>Ministry propose, re gambling in Wheat. From</i> <i>the Parliamentary Debates in Vienna in Session</i> <i>476, April 16. The Minister of Agriculture,</i> <i>Count Ledebur, answers the following question,</i> <i>put to him by two members. Is the Austro-</i> <i>Hungarian Ministry inclined to bring in a Bill</i> <i>by which gambling in agricultural produce, the</i> <i>so-called "Difference Trade," be prohibited and</i> <i>punished? The Minister mentions the inter-</i> <i>national movement directed by Mr. Charles</i> <i>Smith, and agrees that something must be done.</i> <i>The Minister mentions certain measures to be</i> <i>taken into consideration, apart from the Penal</i> <i>Code now in force, and apart from the draft of a</i> <i>new Penal Code, by which seducements to</i> <i>gambling shall be punished.</i> 1. Determination of conditions under which a commodity is admitted to dealings in Futures at the Exchanges. 2. Provision for an obligatory and <i>pro rata</i> money advance in these dealings. 3. Establishment of Caissez de Liquidations and eventually of Public Warehouses as they exist in effective dealings. 4. Provision for a just and fair regulation of all dealings in "Futures," with co-operation not only of the Exchange, but of all those interested in the production of the articles and commodities in question. 5. Co-operation of those interested circles in de- ciding the cases of litigation arising from these dealings. 6. Exclusion of all people who are strangers to a certain class of business, from dealings in Futures in it. The Minister declared that he has the intention to have these and similar measures discussed and investigated, and decided on by interested people of the several branches of Trade and pro- ductions, with the co-operation of the Austrian Milling Association. | Full copy I hold. |
| 1896 | Canada | <i>From Mr. J. J. Suttler, J.P., Director of the</i> <i>Grainborough Agricultural Society, &c., "I have</i> <i>" read with deep interest your various letters,</i> <i>" &c., &c. I have deferred writing until I read</i> <i>" your remarks re these United States gamblers</i> <i>" moving across into Canada to carry on their</i> <i>" ruining business. I determined to write you at</i> <i>" once and ask for all your publications, &c., &c.</i> <i>" I am anxious to master the subject, and then I</i> <i>" propose stamping over these prairies, and try</i> <i>" as far as I can to awaken an interest in the</i> <i>" subject, so that before twelve months our</i> <i>" Parliament at Ottawa will take the matter up</i> <i>" on behalf of our down-trodden farmers. Your</i> <i>" remarks about our Combine Laws are perfectly</i> <i>" correct, but I regret to say we, like the United</i> <i>" States and dear old England, have gigantic</i> <i>" combines to deal with, that are fairly battering</i> <i>" the life out of the farmer, but the most cruel</i> <i>" of all are these wheat trusts; to give you an</i> <i>" idea, a penny drop in Liverpool is carried across</i> <i>" here, almost in shillings, but a stiffening of</i> | This letter shows that the legis- lation passed in 1892 has been insufficient, owing to the continued facilities for international gambling in America and in England which exist, these fictitious contracts controlling the prices in the Canadian mar- kets, as they do prices all over the world. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|---|--|
| 1896 | Canada | " prices is usually despatched by a <i>man on foot</i> . " I frequently show these sharpers my 'Mark " 'Lane Express,' and ask them about their cables. " I must conclude by wishing you long life and " every success in your efforts to terminate this " great evil and robbery done by this iniquitous " fictitious gambling in wheat." | |
| 1896 | Silesia | <i>From Chevalier R. Walcher d'Uybold.—"I am</i> <i>" very much obliged to receive your letter of 3rd</i> <i>" (which enclosed copy of your cross-examination</i> <i>" before the Royal Commission as requested), and</i> <i>" I also receive the 'Digest' of the Royal Con-</i> <i>" mission evidence. I notice the final report of</i> <i>" the Commission shall come out soon, which</i> <i>" report will give the opinion of the Commis-</i> <i>" sioners. As there are only a few weeks to</i> <i>" this time, I will postpone my visit to Count</i> <i>" Ledebur (the Austrian Minister of Agriculture)</i> <i>" perhaps up to that date, since one cannot go</i> <i>" too often to a Minister, and I am convinced</i> <i>" what his first question would be after the con-</i> <i>" clusion of your great cross-examination before</i> <i>" that Commission. But, as soon as I have the</i> <i>" material in hand, I shall go to Count Ledebur.</i> <i>" The translation of your German work, pro-</i> <i>" faced by Count Arnim, shall also go, with your</i> <i>" permission, into the hands of his Excellency."</i> | The agriculturists in almost all countries are becoming alarmed at the recognised effect on prices of this gam- bling in non-existent paper produce. |
| 1896 | Austria | <i>Austrian Parliament. Extract of speech from M.</i> <i>Steiner: "In this German speculation the firm</i> <i>" of Cohn and Rosenberg had swindled so much</i> <i>" that the agrarian party was roused and</i> <i>" approached the Government. As a result the</i> <i>" law in question was passed. Now the same</i> <i>" ruin threatens Vienna. A certain Siegmund</i> <i>" Cassel by clever speculations managed to de-</i> <i>" press the price of rye to 5 fl. 50 kr., and that</i> <i>" of maize to 3 fl. 50 kr. In a short space of</i> <i>" time this man became a millionaire, but when</i> <i>" one goes down to the country, one hears of all</i> <i>" the peasants complaining that they get nothing</i> <i>" for their produce. For that this question is</i> <i>" an international one is proved by the fact that</i> <i>" this notorious Cassel is even now desirous of</i> <i>" getting up a guarantee fund for the speculators</i> <i>" on the Berlin Bourse, and is shouting for under-</i> <i>" writers for the same, and that he is supported</i> <i>" for his manly undertaking by a portion of the</i> <i>" Liberal Press &c."</i> | As already pointed out, it was the widespread ruin caused by this one firm's market manipulation, only possible under the option system, that focussed public opinion in Germany, and brought legi- slative action to become an actual fact. The experience in Vienna is only an example of what is occurring contin- ually wherever these option systems are tolerated. |
| 1896 | South Australia . | <i>Mr. W. O. Archibald, M.P.—"My attention was</i> <i>" first called to this subject by reading your</i> <i>" work 'Commercial Gambling.' After think-</i> <i>" ing carefully over the subject, I felt convinced</i> <i>" your views were correct. The subject is not</i> <i>" understood in South Australia. Gambling in</i> <i>" options and futures affects all classes in this</i> <i>" community, especially as our staple products are</i> <i>" wool and wheat. I shall certainly move my reso-</i> <i>" lution in Parliament again, and try and bring the</i> <i>" matter before the farmers of South Australia."</i> | It is acknowledged throughout Australia that the wool and wheat industries are both depressed by future gambling in America, England, and on the Continent. |
| 1896 | England | <i>The West Indian Sugar Royal Commission—"I beg</i> <i>" to acknowledge with thanks the receipt of yours</i> <i>" of 7th inst., and its enclosures, calling atten-</i> <i>" tion to the effects of speculation on the prices</i> <i>" of beet-sugar and other products."</i> | Sugar is another commodity seriously affected. Foreign bounties, combined with future gambling, have almost killed our cane-sugar indus- tries. Bounties have to be increased as prices decrease, to the injury of all classes. This bounty war, as it now exists on the Continent, in order to save the home pro- ducer is now carried to such |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| | | | an alarming extent that the cure is almost worse than the disease. Protection in the shape of bounties is no real remedy for agricultural depression. Why not go to the root of the evil, and prohibit <i>in toto</i> the international gambling in fictitious sugar in England, America, and on the Continent! This has been the original cause of ruin to producers of beet and cane sugar. |
| 1896 | England . . . | <i>Independent Labour Conference, Nottingham.</i> Resolution passed: "That, in view of the widespread distress and ruin to farmers and producers caused by stock and share operations and commercial gambling on the produce exchanges, we are of opinion that the responsible members of the Government should take such steps as may seem necessary to check this increasing danger to the best interests of the community. That copies of this resolution be sent to the leading members of the Government." | |
| 1896 | Austria . . . | April 16. <i>In the Austrian Reichstag</i> the Minister of Agriculture declared that, "in view of the growth of gambling in connection with time-bargains in European corn, something must be done to check it, and steps had been taken to come to an understanding to that end with the Ministerial departments concerned." | Would that I could hear a similar announcement from our Minister of Agriculture. |
| 1896 | Germany . . . | <i>The Reichstag</i> passed by 200 votes against 39 a motion prohibiting time-bargains in agricultural products. Also passed the second reading of the Bourse Reform Bill. | By doing so Germany has the honour of leading the way amongst civilised nations to prohibit this immoral and injurious gambling system. But, as the system is international, so should the legislation be, to be a complete success. |
| 1896 | England . . . | <i>House of Lords.</i> Lord Stanley of Alderley called the attention of the House "to the alleged depredation in the prices of wheat, cotton, wool, silver, coffee, and other agricultural products owing to an international system of trading in 'options and futures,' representing fictitious or non-existing produce, and that some 25 condemnatory resolutions have been passed in the last two years by our leading agricultural and other societies. Further, that owing to the reports of the special commissions held in the United States, Germany, and Belgium a Bill for suppressing these systems was twice read in the United States House of Representatives last December, and a similar Bill passed the same House in 1894, while a Committee of the German Reichstag reported last month in favour of total prohibition of them; also in Belgium a Bill to deal with this subject has been framed. Also to ask Her Majesty's Government why Mr. Charles W. Smith's evidence, prepared in 1893 and 1894 at the request of the Royal Commission on Agriculture on this subject, has been suppressed after having been printed; and whether it would be laid upon the table of the House; also a translation of the articles published on the same subject in the 'Journal de l'Agriculture,' by M. Alfred Paisant, President of the Civil Tribunal of Versailles; and to ask Her Majesty's Government how it is that, after hundreds of | Lord Dudley, on behalf of Board of Trade, answered. He asserted the one reason for the Government not to interfere by legislation to be "that they were afraid of hampering legitimate speculation and trade." |
| | | | What can possibly hamper both more than the reckless, unprincipled gambling in "fictitious" products, which two important members of the Board of Trade have themselves recognised and condemned? |
| | | | This was refused. |
| | | | Thousands of failures have occurred since 1876—hundreds have ever been brought into |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|---|
| 1896 | England . . . | "failures due to these systems, hardly one has been brought before the Bankruptcy Court for fear of exposing the systems; and to ask if Her Majesty's Government will appoint a Select Committee to take evidence on the subject." | the Bankruptcy Court, even where absolute fraud was connected with them. If they had been, the systems would have been exposed years ago—hence, the sole reason for suppressing failures. |
| 1896 | England . . . | <i>Council Meeting of the Central and Associated Chambers of Agriculture, London.</i> It was unanimously carried that copies of the resolution passed by this Chamber on February 4 last, asking the Government to appoint a Select Committee to investigate the gambling system of options and futures in wheat &c. be sent to the members of the Government. | This resolution was specially forwarded to the Government because Lord Dudley, in the House of Lords, stated it as one of the reasons for non-interference by the Government, because it had not been formally forwarded at the time to the Government!!! |
| 1896 | Hungary . . . | <i>Invitation from the Hungarian Minister of Agriculture</i> to attend the International Agricultural Congress in September, and introduce the question before the Congress of gambling in "fictitious" agricultural corn. Requested to prepare a special statement for distribution amongst the various members. It was entitled "International Gambling in 'Futures,' representing 'Fictitious' Grain and Silver: The direct cause for the general depreciation of the 'World's Corn Prices.'" | |
| 1896 | Hungary . . . | <i>International Agricultural Congress at Budapest.</i> It was recognised and acknowledged by the large majority of the 220 members present, representing all Governments and all leading agricultural societies, "that the international system of gambling in 'options and futures' of fictitious grain was the principal cause for depression of the world's corn prices, and injurious to the interests of producers, and that legislation on behalf of all Governments should be invoked to prohibit the systems." The resolution was not voted upon, but see the opinion of the Secretary and Delegate of the Central Chamber of Agriculture regarding the result of a ballot had one been taken. Also letter from Secretary of Congress. | Her Majesty's Government was the only one conspicuous in its absence. It was unrepresented. |
| 1896 | Hungary . . . | <i>International Agricultural Congress.</i> From Mr. Paikert, Secretary: "The success in the Congress was strong, and felt in all countries. There was not one speaker who spoke in favour of 'futures' and 'options,' not one in the whole Congress, but many against them, like yourself, as the first leader on this question. Your victory was complete." | |
| 1896 | Germany . . . | <i>Coffee Exchange.</i> —Petition to the German Diet on behalf of the coffee dealers, who do not gamble, for the redress of the evils caused by "option" gambling. | I hold a copy. Yet another commodity! |
| 1896 | Germany . . . | <i>Important Meeting of the German Farmers' Association.</i> —Resolution forwarded to Government. | I hold a copy. |
| 1896 | England . . . | <i>Public Meeting of the British Association, Liverpool.</i> —Mr. E. Helm, Secretary of Manchester Chamber of Commerce, said: "That the system of dealing in futures has assisted the fall in prices may, I think, be admitted." The other speakers, who read papers, were all largely interested peculiarly in gambling, both in wheat and cotton &c. Several speakers, however, supported my views, but there was no one there to take up the fight. Naturally so, as Liverpool is the "hotbed" of these gambling systems in wheat, maize, cotton, beet-sugar, &c. | The holding of this meeting at Liverpool was, as regards options, very similar to calling a meeting of lambs in the stronghold of wolves to protest against the wolf-consumption of lamb!! |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|----------------|---|---|
| 1896 | England . . . | <i>The British Association</i> .—Copy of letter from Secretary: "I have received your letter referring to communications made at the Liverpool meeting on the subject of 'futures.' I am sorry that you were not present, so that you might have taken part in the discussion." | I was attending the International Agricultural Congress at Budapest. If not, I should have been there. |
| 1896 | France | <i>M. Caedool</i> .—"M. Méline is not only the Premier, but also the Minister of Agriculture. There are in France twenty-six millions of peasants against twelve millions of town people. M. Méline is our spokesman, and now is the moment to put before him the result in Germany, Austria, &c. of your devoted exertions in the interests of agriculture, and you will be sure to find in him support and sympathy." | |
| 1896 | Austria . . . | <i>Parliamentary Petition to the Austrian Government</i> , dated October 1, 1896, praying that their Government do introduce an Anti-Option Bill to suppress "what is the main grievance to all agricultural classes, and one of the causes that are at the bottom of the present crisis." The said petition contains the heads of the proposed Bill, together with full reasons for all such. | I hold a copy. The movement was thus extending in Austria amongst all ranks and classes. |
| 1896 | England . . . | <i>The Duke of Devonshire</i> .—Copy of letter, London, October 3: "I am directed by the Duke of Devonshire to acknowledge the receipt of your letter of the 30th ult., and to state in reply that the conclusions of the Congress to which you refer will doubtless receive the serious attention of Her Majesty's Government in common with others." | Apparently it has not so far! |
| 1896 | England . . . | <i>Tunbridge Wells Farmers' Club</i> .—Resolution passed: "That the Government be asked to institute an inquiry into the present system of selling products by options and futures." | |
| 1896 | Russia | <i>The Official Government Report</i> , issued by the Finance Minister, refers to this gambling question in detail, making the subject one of much prominence. It was printed in January "officially" in England. | It is well worth perusal. It is a most important document. |
| 1896 | France | <i>Mr. Rose proposed in Parliament</i> that the Government should alter the law of March 28, 1885, and article 419 of the penal code, concerning markets affecting commodities and agricultural products. M. Méline, the President, said it was the intention of the Government to join in this campaign. | This is the only measure, Lord Salisbury said in the House of Lords on February 11, 1897, that he had been able to discover, except the well-known German measure!! |
| 1896 | England . . . | <i>The Annual Congress of the National Agricultural Union</i> , Birmingham.—Resolution passed: "That the Government be asked to appoint a Royal Commission to inquire into the effect on prices of the international system of gambling in fictitious products." | Passed by delegates from all counties, and representing some 70,000 agriculturists. |
| 1896 | England . . . | <i>National Agricultural Union</i> .—Mr. A. T. Matthews, Secretary, states in the "Cable" "that he hoped a Royal Commission would be appointed to inquire into the gambling in fictitious produce, as all the branches were interested in the subject, thanks to the splendid efforts of Mr. C. W. Smith." | |
| 1896 | Belgium . . . | <i>The Senate commenced the debate on the government Anti-Gambling Bill</i> , introduced by M. Lejeune, | I hold a copy. It is an important document. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|--|--|
| 1896 | Belgium . . . | Minister of Justice. The Committee appointed to revise the Bill introduced several amendments into it. | |
| 1896 | Austria | <i>The Bourse Tax</i> was debated upon in the Reichstag. The Minister of Finance stated that the Government had been considering the question of time-bargains, especially in corn, and also that of gambling on the Bourse. They hoped shortly to be in a position to introduce Bills on the subject. The Minister's speech was received with warm approval. | Opinion of Austrian Government. |
| 1896 | France | December 9. <i>In the Chamber</i> , M. Méline, the Premier and Minister of Agriculture, in reply to complaints of Agricultural depression, expressed his readiness to prohibit time-bargains in wheat. | Further recognition by the French Government. |
| 1896 | South Australia . | <i>In the House of Parliament</i> the following resolution was proposed: "That in the opinion of this House the Government should take immediate steps to urge upon the Imperial Government to legislate declaring it illegal to deal in Options and Futures, except when produce, metals, or goods change hands. The debate was continued at two further sittings." | Resolution withdrawn. There are no gambling produce exchanges in Australia, but the gambling in wool on the Continent, and the world's gambling in wheat, have both tended to ruin these Australian industries and affect the prices, as they must do in all parts of the world. |
| 1896 | Belgium | <i>The Report of the Parliamentary Commission</i> appointed by the Government on Stock and Produce operations qualifies as illegal speculations conducted on "differences," and includes them under the head of gambling. | Report of Belgian Parliamentary Commission. |
| 1896 | Belgium | <i>The Senate adopted the Bill</i> dealing with betting and gambling on the Bourse, and adopted the first six clauses—"Any contract is a betting or gambling transaction (and therefore null and void under another clause) regarding which it is the intention of the parties concerned that there shall be neither delivery nor receipt of the articles of merchandise or securities, the dealings in them being merely ostensible and for the purpose of securing profits by the difference on the rise or fall in prices." | Legislation in Belgium. |
| 1896 | Germany | <i>The Farmers' Alliance of Germany</i> . Resolution passed: "They urgently called on the Federal Governments of all Germany to take the necessary steps with the view of inducing all foreign Governments to prohibit Options and Futures." | Recognising that to be successful, international co-operation would be necessary. |
| 1897 | Germany | <i>The Bourse Bill</i> came into force January 1. | And caused the greatest opposition from capitalists and the gambling fraternity. |
| 1897 | Austria | <i>The Chamber of Deputies</i> on January 4, with a view of legislation, passed the following resolution: "That the Imperial Government be asked again urgently to submit—with all possible speed—to the House of Parliament some Bills by which the Exchange is to be re-modelled according to the complaints made repeatedly by representative bodies and numerous corporations, and on the basis of the legislation already introduced in the German Empire, and that special care should be taken that the so very injurious 'difference' business should be prohibited, and the prices on the Exchange be formed according to the actual conditions." | The urgency of some measure to prohibit gambling in fictitious produce was now being brought home to those in power in Austria, partly by local agricultural opinion and partly as the result of German legislation. |
| 1897 | Austria | <i>Count Ledebur</i> , the Minister of Agriculture, delivers an important speech in the Reichstag. The concluding sentence is as follows: "The | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------|--|---|
| 1897 | Austria | "study of this question (Options and gambling) will be continued most ardently, and legislative propositions brought in as early as ever possible." (Applause.) | |
| 1897 | England | <i>Messrs. Huxton, Rowland & Co.</i> , leading London Wool Brokers, in their annual report dwell fully upon the ruin to the wool industry, in South America, Australia, the Continent and in this country, due to gambling operations on the Continent in wool "Futures." | And every head file trader in every product, dealt in under the Option system, will endorse the complaint. Those who trade, only to gamble, naturally will not do so. |
| 1897 | Austria | <i>Petition from the Agricultural Union to the Government.</i> "Since the Corn Exchanges are 'all-powerful and agriculture all-powerless in making prices for agricultural products, and considering the desperate situation of agriculture, and that prices are not made by the 'wants and demands of consumption, but only for the interests of gambling, whose interests are ruining 55 per cent. of the population (the agricultural) the petition begs to request the Government and the House of Deputies:— 1. That the Option and Future trade with all its damages to agriculture and the miller's industry, should be abolished (as it is in Germany) as soon as possible. 2. The Corn Exchanges should be reformed in such a way as to give agriculture a legitimate chance in participation in the formation of prices. 3. Government should do their best to induce the Hungarian Government to settle Nos. 1 and 2 on their part too." | This is a most important petition, and groups the root of the evil. It is very curious that the gamblers in the world's Corn Exchanges make agricultural prices, which farmers are bound to accept, whilst the latter, not being eligible as members, and not being organised, are simply powerless, and find their current market prices dominated by those of gambling futures. |
| 1897 | Hungary | <i>Letter from the Hungarian National Agricultural Society.</i> "The Hungarian National Agricultural Society has elected you honorary member in their ordinary meeting on November 22, 1896. By this election, our Society wished to express their acknowledgment of the excellent merits which you acquired by your activity for the public good, and that it was closely followed by our Society with the sincerest sympathy, an activity with which you never failed to promote the true interests of agriculture. We are highly pleased to inform you of this election, and in doing so we beg you kindly to accept the same. Please to consider this election as a new proof of the correctness of the most important activity pursued by you. May it henceforth appear to you as a warranty that the final success, so anxiously aspired to, will not fail." (Signed) President, Secretary, Manager. | I welcomed this compliment, more especially because I considered it as a pledge of earnestness in pressing forward this question. |
| 1897 | England | To C. W. Smith, Esq. <i>Mr. Jasper More, M.P.</i> , in a public letter says, "I have been to a large market, where the leading authorities are all of opinion that Mr. C. Smith is perfectly right in saying the fictitious contracts of Liverpool and America rule the English market." | |
| 1897 | England | <i>The public reports of the Leeds and Wakefield Corn Markets</i> says, "That owing probably to the large amount of paper speculation going on, 'not much is doing, &c. Paper speculation still prevents wheat from taking its natural course; business is almost at a standstill. Reduction in prices." | And similar remarks are constantly to be read in the trade and agricultural articles of London, Liverpool, &c. &c. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------|--|--|
| 1897 | England | <i>The Farmers' Club, London.</i> Resolution passed: "That in the opinion of this Club it is desirable that a Select Committee of the House of Commons should be promptly appointed to inquire into the operations of the Option and Future system in the produce markets." | |
| 1897 | England | <i>House of Commons, March 8.</i> Mr. Field, M.P., asked the President of the Board of Trade "whether he intended proposing legislative measures for prohibiting or restricting gambling in Option and Future contracts representing fictitious agricultural produce or metals; whether he was aware of what was being done in this direction by other countries; whether Her Majesty's Government had asked the Hungarian Government for a copy of the official report of the International Agricultural Congress, held at Budapest last September; and whether he would lay on the table the section of the Canada Criminal Code of 1892, which came into operation in March 1893, prohibiting gambling in prices." | I should have thought it was the duty of the President of the Board of Trade, in the interests of our trade and agriculture, to have been as fair to what was being and has been done by all other countries, and not to require investigation and urging by a private member. The question is becoming of too much importance to be left to chance. |
| 1897 | Austria | <i>Mr. Ritchie:</i> "No. I do not propose to introduce legislation on the subject referred to by the honourable member. If there is any particular country as to which the honourable member desires to be informed, I will endeavour to obtain the desired information. A copy of the official report of the International Agricultural Congress held at Budapest has been asked for, and we are informed that it is in the press. If the honourable member will move for the section of the Canada Criminal Code, there will be no objection to laying it on the table." | British agriculturists ought to demand the reason why, is the President of the Board of Trade to be their sole dictator? |
| 1897 | England | <i>Result of Special Parliamentary Inquiry</i> appointed by the Government.—1. It is demanded that the gambling business in differences in Options and Futures be altogether abolished. 2. That only Option and Future business in really existing goods be allowed to be continued. Further motions in detail were also carried. The Minister of Agriculture declares, both in the House of Deputies and at the first Committee sitting, his willingness to lay a Bill upon the table of the House at the beginning of the next Parliamentary Session. | I hold a copy, showing that this Parliamentary inquiry, by similar evidence and statistical proofs to those given before Royal Commissions held in other countries, endorses their views and confirms their verdict, that the abolition of Future gambling in non-existent produce is a national necessity. |
| 1897 | England | <i>House of Lords, February 11.</i> Lord Stanley of Alderley asked the Secretary of State for Foreign Affairs, "if he would lay on the table any legislative measures for prohibiting or restricting gambling in 'Option and Future' contracts representing fictitious agricultural produce and metals, either passed or proposed, in Germany, Austria, Hungary, Bohemia, Belgium, France, Switzerland, Norway and Sweden, Greece, Argentina, and the United States and South Australia; and if Her Majesty's Government had asked the Hungarian Government for a copy of the official report of the International Agricultural Congress held at Budapest last September; and to ask Her Majesty's Government if they would lay on the table the sections of the Canada Criminal Code of 1892, which came into operation in March 1893, prohibiting gambling in prices." | |
| | | <i>The Prime Minister</i> (the Marquess of Salisbury): "I hope I shall not be accused of disgraceful ignorance or dishonest concealment when I confess that I do not know one-tenth of the | Judging by the worthless information submitted by the representatives of Her Majesty abroad, already referred |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| 1897 | Austria . . . | "study of this question (Options and gambling) "will be continued most ardently, and legislative propositions brought in as early as ever possible." (Applause.) | |
| 1897 | England . . . | <i>Messrs. Buxton, Rowland & Co.</i> , leading London Wool Brokers, in their annual report dwell fully upon the ruin to the wool industry, in South America, Australia, the Continent and in this country, due to gambling operations on the Continent in wool "Futures." | And every <i>long</i> <i>side</i> trader in every product, dealt in under the Option system, will endorse the complaint. Those who trade, only to gamble, naturally will not do so. |
| 1897 | Austria . . . | <i>Petition from the Agricultural Union to the Government.</i> "Since the Corn Exchanges are "all-powerful and agriculture all-powerless in "making prices for agricultural products, and "considering the desperate situation of agriculture, and that prices are not made by the "wants and demands of consumption, but only "for the interests of gambling, whose interests "are ruining 50 per cent. of the population (the "agricultural) the petition begs to request the "Government and the House of Deputies : "1. That the Option and Future trade will all "its damages to agriculture and the miller's "industry, should be abolished (as it is in "Germany) as soon as possible. "2. The Corn Exchanges should be reformed in "such a way as to give agriculture a legitimate chance in participation in the formation "of prices. "3. Government should do their best to induce "the Hungarian Government to settle Nos. 1 "and 2 on their part too." | This is a most important petition, and grasps the root of the evil. It is very curious that the gamblers in the world's Corn Exchanges make agricultural prices, which farmers are bound to accept, whilst the latter, not being eligible as members, and not being organized, are simply powerless, and find their current market prices dominated by those of gambling Futures. |
| 1897 | Hungary . . . | <i>Letter from the Hungarian National Agricultural Society.</i> "The Hungarian National Agricultural Society has elected you honorary "member in their ordinary meeting on November 22, 1896. By this election, our Society "wished to express their acknowledgment of "the excellent merits which you acquired by "your activity for the public good, and that it "was closely followed by our Society with the "sincerest sympathy, an activity with which "you never failed to promote the true interests "of agriculture. We are highly pleased to "inform you of this election, and in doing so "we beg, you kindly to accept the same. Please "to consider this election, as a new proof of the "correctness of the most important activity pursued by you. May it henceforth appear to you as "a warranty that the final success, so anxiously "aspired to, will not fail." (Signed) President. Secretary. Manager. To C. W. Smith, Esq. | I welcomed this compliment, more especially because I considered it as a pledge of earnestness in pressing forward this question. |
| 1897 | England . . . | <i>Mr. Jasper More, M.P.</i> , in a public letter says, "I "have been to a large market, where the leading "authorities are all of opinion that Mr. C. Smith "is perfectly right in saying the fictitious contracts of Liverpool and America rule the "English market." | |
| 1897 | England . . . | <i>The public reports of the Leeds and Wakefield Corn Markets</i> says, "That owing probably to the "large amount of paper speculation going on, "not much is doing, &c. Paper speculation "still prevents wheat from taking its natural "course; business is almost at a standstill. "Reduction in prices." | And similar remarks are constantly to be read in trade and agricultural articles of London, Liverpool, &c. &c. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|--|
| 1897 | England . . . | <i>The Farmers' Club, London.</i> Resolution passed : "That in the opinion of this Club it is desirable that a Select Committee of the House "of Commons should be promptly appointed to "inquire into the operations of the Option and "Future system in the produce markets." | |
| 1897 | England . . . | <i>House of Commons</i> , March 8. Mr. Field, M.P., asked the President of the Board of Trade "whether he intended proposing legislative measures for prohibiting or restricting gambling in "Option and Future contracts representing fictitious agricultural produce or metals; whether he "was aware of what was being done in this "direction by other countries; whether her "Majesty's Government had asked the Hungarian Government for a copy of the official "report of the International Agricultural Congress, held at Budapest last September; and "whether he would lay on the table the section "of the Canada Criminal Code of 1892, which "came into operation in March 1893, prohibiting gambling in prices." <i>Mr. Ritchie</i> : "No. I do not propose to introduce legislation on the subject referred to by the honourable member. If there is any particular country "as to which the honourable member desires to be "informed, I will endeavour to obtain the desired "information. A copy of the official report of "the International Agricultural Congress held at "Budapest has been asked for, and we are "informed that it is in the press. If the "honourable member will move for the section of "the Canada Criminal Code, there will be no "objection to laying it on the table." | I should have thought it was the duty of the President of the Board of Trade, in the interests of our trade and agriculture, to have been as fair to what was being and has been done by all other countries, and not to require instigation and urging by a private member. The question is becoming of too much importance to be left to chance. |
| 1897 | Austria . . . | <i>Result of Special Parliamentary Inquiry</i> appointed by the Government.—1. It is demanded that the gambling business in differences in Options and Futures be altogether abolished. 2. That only Option and Future business in really existing goods be allowed to be continued. Further motions in detail were also carried. The Minister of Agriculture declares, both in the House of Deputies and at the first Committee sitting, his willingness to lay a Bill upon the table of the House at the beginning of the next Parliamentary Session. | British agriculturists ought to demand the reason why. Is the President of the Board of Trade to be their sole dictator? |
| 1897 | England . . . | <i>House of Lords</i> , February 11. Lord Stanley of Alderley asked the Secretary of State for Foreign Affairs, "If he would lay on the table any legislative measures for prohibiting or restricting "gambling in 'Option and Future' contracts representing fictitious agricultural produce and "metals, either passed or proposed, in Germany, "Austria, Hungary, Bohemia, Belgium, France, "Switzerland, Norway and Sweden, Greece, Argentina, and the United States and South "Australia; and if Her Majesty's Government "had asked the Hungarian Government for a "copy of the official report of the International "Agricultural Congress held at Budapest last "September; and to ask Her Majesty's "Government if they would lay on the table the "sections of the Canada Criminal Code of 1892, "which came into operation in March 1893, "prohibiting gambling in prices." <i>The Prime Minister</i> (the Marquess of Salisbury) : "I hope I shall not be accused of disgraceful "ignorance or dishonest concealment when I "confess that I do not know one-tenth of the | I hold a copy, showing that this Parliamentary inquiry, by similar evidence and statistical proofs to those given before Royal Commissions held in other countries, endorses their views and confirms their verdict, that the abolition of Future gambling in non-existent produce is a national necessity. |

Judging by the worthless information submitted by the representatives of Her Majesty abroad, already referred

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|---|
| 1897 | England . . . | <p>"documents which the noble Lord desires me to produce. He tells me that there are legislative measures either passed or proposed in many foreign countries. It may be, of course, the deficiency of the Foreign Office; it is possible that the representatives of Her Majesty abroad do not take the keen interest in this subject that is taken by the noble Lord; at all events, I have not been able to discover that any measures have been passed excepting the well-known German measure. If the noble Lord wishes for a copy of that, no doubt he can obtain it; but we do not generally lay the Acts of Parliament of other nations upon the table of this House. With regard to measures that are proposed, I have only been able to discover one—namely, in France. There a measure was proposed last September by a private member, but I do not think it has gone any further. I can only say that if the noble Lord will help us in our research, and tell us what are the dates of these various measures, we will ascertain whether they can be obtained without great inconvenience. Although it is perfectly easy to procure copies of measures that have been passed, because they are all published for the use of the inhabitants of the countries which they affect, measures that have been simply proposed and not passed could only be discovered by very long and careful investigations into the daily reports of the various Legislatures to which the noble Lord has referred. I think, therefore, he must assist us in order to obtain this information. We have not asked the Hungarian Government for a copy of the official report of the International Agricultural Congress held at Budapest last September. I do not know whether the noble Lord is of opinion that it is our duty to ask for reports of the Congresses held upon the Continent. There is no particular reason to make us ask for reports of this kind. But if the noble Lord entertains these strong opinions, and if he can find a sufficient number of noble Lords who take the same view, the best course for him to take is to move for a Committee to report to the House upon this subject. At present the progress of economical science at the Board of Trade, or elsewhere, is so backward that I do not think there is enough sympathy with the object which the noble Lord is pursuing to induce them to make any great efforts to obtain the information which he requires."</p> <p><i>The Under Secretary of State for the Colonies</i> (the Earl of Selborne) said there was no objection to the noble Lord's request that the sections of the Canadian Act referred to in the question should be laid upon the table.</p> <p><i>Lord Stanley of Alderley</i> was obliged to the noble Marquess for his suggestion that there should be a Committee of Investigation. That was all that was asked for last year.</p> <p><i>The Prime Minister</i>: "Did the noble Lord move last year?"</p> <p><i>Lord Stanley of Alderley</i>: "No; I only asked."</p> | <p>to (February and March, 1896), this is a subject entirely ignored by them. I trust this statement may supply the Prime Minister, as well as the Foreign Office, with details of other measures, and thus save great inconvenience, for I presume it is their wish to be abreast of the times!</p> <p>This is tantamount to saying that the permanent officials to whose department these investigations properly belong have not yet put themselves to the trouble of considering the subject.</p> <p>Why, then, in the interests of British agriculturists, should not H.M. Government itself appoint a Committee of Investigation, and follow the Prime Minister's suggestion?</p> <p>If farmers were capitalists exercising vast financial influ-</p> |
| 1897 | England . . . | <p><i>The Farmers' Club Meeting</i>, London. Mr. Clare S. Read, in supporting resolution, said:—"If</p> | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------------|--|---|
| 1897 | England . . . | "Parliament had passed a law to prohibit gambling in bank shares, he wanted to know why producers of wheat were not as well entitled to protection against gambling as bank shares are?" | ence, and combined amongst themselves, it would not be long before their property was protected from gambling as bank shares now are. |
| 1897 | England . . . | <p>"Mr. Jasper More, M.P., on February 4, publicly writes that at the <i>Canterbury Market</i>, 'they considered Mr. C. Smith perfectly right in his view that Futures and Options depress the price of English and all wheat. The American or Liverpool market in fictitious contracts fixes the price,' which would be 48s. now but for this system. They expect it to be 45s. in July, in spite of this system, though fictitious contracts are quoted for July, 17 cents below the present market price."</p> | <p>All trade papers, statisticians, &c., confirm this statement about what the price of wheat ought to be. Yet, in July, the price was only 27s. per quarter, or 18s. less. The cause is correctly stated. What would be the value of railways, stocks, Consols, &c. if bear operators were allowed by the rules to sell in February, November and December Options at a heavy discount, and there were no real investors, as is the case in Options of produce? Why, a panic would ensue, and all holders of March to October Options would gradually resell and cause an artificial decline. The value of railway stocks, &c., would thus be reduced to the value of bear Option sales, as in wheat, maize, beet sugar, coffee, &c.</p> |
| 1897 | Hungary . . . | <p>His Excellency Count Alex. Karolyi:—"Your fight is as stubborn as it is glorious, as you are already in a position to see that the movement you have started has—both in Europe and in America—won a great many friends, that it has been victoriously fought throughout Germany, and that other countries—in spite of opposition on the part of the German Produce Exchanges—are thinking of making a law of your ideas in their respective legislative bodies. The Commission of the Austrian Parliament has already gone one step further than the Imperial German law, since that Commission has reported to the effect that 'both Blanco-Terminal Trade (Options) is to be abolished, and Blanco-Delivery Trade (where no delivery takes place) is to be made also illegal. We have just now had an inquiry at the Hungarian Ministry of Commerce, on which occasion the very same claims have been made by the Agrarian Party as in Austria. Our local inquiry was, of course, influenced, not only by the Hungarian Agrarians, but also by the example of Germany, and also by the debate on Commission of the Austrian Parliament."</p> | |
| 1897 | United States . . . | <i>The Farmers' National Alliance</i> . 17th Annual Meeting. The report says: "While our efforts to secure the enactment of a law to prohibit gambling in farm products so far has not been successful, we are encouraged by reports sent us by friends from abroad, which show that the measure is steadily gaining ground in most, if not all, the countries of the Old World, and in Germany we are glad to report the measure to absolutely prohibit gambling in farm products is enacted into law." Resolution passed: "That we favour the enactment into law of an effective anti-option Bill prohibiting gambling in farm products." | As already pointed out, the operations of capitalists have more scope and power in America and England than on the Continent, and it is there that the fight will be fiercest and most prolonged. |
| 1897 | Belgium . . . | <i>The Senate</i> unanimously adopted Section II. of the Government Anti-Gambling Bill. | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1897 | England . . . | <i>House of Commons, March 12. Gambling in Options and Futures.</i> Mr. W. Field, M.P.: "I beg to ask the President of the Board of Trade whether the department have asked for information to be obtained of the results of special Parliamentary inquiries already made or being held in America, Germany, Belgium, Austria and Hungary, respecting actual or proposed legislation in fictitious produce and in metals." Mr. Ritchie: "I am hardly prepared to make such an extensive inquiry as that suggested by the hon. member, especially having regard to the fact that the matter is one in regard to which this country is quite competent to form its own opinion." | I prove that this country, north, south, east and west, has spoken its opinion in no unqualified terms. |
| 1897 | Denmark . . . | <i>The Times of March 18</i> says: "Finally a proposal has recently been presented relating to the control of the trade in certain agricultural products, which already has met with strong opposition in the Landsting. The Minister of Agriculture has declared that he will resign if the proposal is not carried through. The Landsting has postponed the debate on this question." | I hold no particulars. But my latest "official" information in July was that the proposal had no direct reference to fictitious transactions in grain, for I believe no such gambling exists in Denmark. |
| 1897 | England . . . | <i>A leading Liverpool gambler in wheat.</i> His opinion on the price of wheat for 1896-1897. Mr. Woodward writes to "Dornbusch" on November 18, 1896: "Even after a rise of 50 per cent., wheat is still comparatively cheap, and in a year of Indian famine and general scarcity may be called remarkably so." In the same firm's circular of March 13, 1897, it says, "In spite of a continuance of diminutive shipments, and a bureau report in America estimating reserve stocks of wheat there much below the level of recent years. . . This depression in face of both light shipments and reduced arrivals is one of those things that used to puzzle the late 'Lord Dundreary,' but the 'riddle will have to be solved during the next four months somehow.'" | Although truly, wheat was remarkable cheap last November, perhaps Mr. Woodward will explain to the numerous "Lord Dundrearys" who at present exist, how it is, and the causes which have led to a decline of 20 per cent. since last November? If not to gambling in non-existent wheat, to what is due the heavy depreciation, considering the facts stated? The Bears solved the riddle. See Mr. Jasper More's remarks in previous page. |
| 1897 | England . . . | <i>Mr. Field, M.P. Extract from letter to the Press:</i> "It is difficult to understand why the repression of this form of gambling is not attempted ' whilst betting on the Turf is forbidden? This unequal legislation shows the need of a commercial party in the House, recruited from all political sections, who would consider mercantile matters in a broad common-sense way and endeavour to keep pace with their competitors in the struggle for superiority. This gambling in futures was fully debated at the International Agricultural Congress in Budapest, which I attended, and it was universally condemned as the main cause of ruin of the world's agriculture and trade." | It is a noteworthy fact, that while foreign countries were all officially represented by their legislators, Mr. Field was the only private representative of this country. If others had been present, they would have realised, like Mr. Field did, the enormous importance of the subject. It is well to point out, that in the late and present House of Commons are to be found the largest gamblers in grain, cotton, &c., in this country. |
| 1897 | England . . . | <i>The Herts Branch of the National Agricultural Union.</i> | These resolutions were the result of Lord Salisbury's remarks in House on Feb. 11, 1897, in answer to Lord Stanley. "But if the noble lord entertains these strong opinions, and if he can find a sufficient number of noble lords who take the same view, the best course for him to take is to move for a committee to report to the House upon this subject." |
| 1897 | England . . . | <i>The Lincolnshire Chamber of Agriculture.</i> | |
| 1897 | England . . . | <i>The Billadon Branch of the National Agricultural Union.</i> | |
| 1897 | England . . . | <i>The Tunbridge Wells Farmers' Club.</i> | |
| 1897 | England . . . | <i>The London Colonial Wool Brokers' Association.</i> | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|--|
| 1897 | England . . . | <i>The Bristol Branch of the National Agricultural Union, and others.</i> All passed resolutions, "giving their utmost support to the proposed application by Lord Stanley of Alderley in the House of Lords, for an official inquiry into the disastrous effects upon agriculturists, resulting from gambling in fictitious products." | |
| 1897 | England . . . | <i>National Agricultural Union.</i> The Parliamentary programme for 1897. No. 5: "Appointment of a Select Committee to inquire into the effect on prices of gambling in fictitious produce." | This item on the Parliamentary programme of our agriculturists, the result of numerous resolutions, has been completely and entirely ignored by the Government, returned to power mainly by agricultural votes. |
| 1897 | England . . . | <i>House of Commons, April 3.</i> The Home Secretary, in answering question in connection with gambling on the Turf, said: "I am advised by the law officers that the judgment (Hawke v. Dunn) applies to all kinds of betting—betting upon credit, as well as betting for ready money. I am fully alive to its gravity, and although I cannot promise anything definitely, it shall not escape my attention." | Yet Her Majesty's Government refuses time after time to legislate or recognise the gambling in fictitious products which is ruining our national industry and legitimate trade. Gambling in Produce, under a daily settlement, is equivalent to ready-money betting. |
| 1897 | England . . . | <i>House of Commons, April 6. Gambling in Prices.</i> Mr. Field, M.P., asked the President of the Board of Trade whether the Government would consider the necessity of introducing a measure similar to the sections of the Canada Criminal Code, which came into operation in March 1893, prohibiting gambling in prices. Mr. Hanbury said the President of the Board of Trade has already informed the hon. member that he does not propose to introduce legislation on the subject referred to in the question. | Why should not the Imperial Government follow Canada's example, and thus protect the agriculturists of our Colonies as well as those of this country? |
| 1897 | England . . . | <i>House of Commons, April 13. Gambling in Futures.</i> Mr. Field, M.P., asked the President of the Board of Trade whether he would obtain information from the British Consul in Berlin respecting the terms of the German law prohibiting gambling in Futures, and whether he could obtain details as to the administration and effect of the law since its introduction in January 1897. Mr. Hanbury said that some information relating to the prominent provisions of the law was published in the Board of Trade Gazette in December last. The Board would endeavour to obtain through the Foreign Office a report from the Commercial Attaché on the subject. Mr. Field asked the President of the Board of Trade whether he would cause inquiry to be made into the administration of the Canadian law prohibiting gambling in Futures, whether of stocks or merchandise, and whether he would obtain evidence to show what had been the effect of this legislation during the past three years in the Dominion of Canada. Mr. Hanbury said the Board of Trade would ask the Colonial Office to obtain a report from the Canadian Government on the law referred to and its effects. | It seems to me amazing that a commercial attaché should require prompting on such a question. Surely he must have already reported at length upon such a radical legislative change as that introduced on January 1 last. |
| 1897 | England . . . | <i>House of Commons, April 6. Debate on Food Supplies of the United Kingdom.</i> Mr. Yerburgh, N.P., and Mr. A.J. Halloun, M.P., both referred to the prospects and probabilities of England being "cornered" in her food supplies by foreign Governments or by speculators under the Option system in case of war. Mr. Yerburgh stated that he was advised by one of the great dealers "that | In time, and by the energy of private members, it is to be hoped the Board of Trade will be in full possession of all foreign and colonial legislation on this subject! The views expressed by Mr. Balfour cannot be derived from commercial experience, and are absolutely erroneous. Mr. Balfour does not realise that 95 per cent. of all Option and Future contracts in America and in England are fictitious contracts. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|--|
| 1897 | England . . . | "the present system of dealing in grain was largely "in 'Futures,' and in this case wheat might be "withdrawn from our consumption," &c. Mr. Balfour said: "Apart from the buying of " 'Futures,' we have nothing to fear that other nations will refuse to send us corn. But as to " 'Futures,' if France can buy 'Futures,' England "can do so as well. While it would pay us to "buy 'Futures' as if we cannot get corn, it would "not pay France to do so, because she does not "want the corn," &c. | tracts, and that under the wording of the contract it is impossible for sellers to tender actual wheat against it. The masses of our country could not exist upon "wheat" wheat such as these contracts can only represent. Besides, France grows her food-stuff. England does not, and therefore must necessarily import, war or no war. |
| 1897 | England . . . | <i>The Agricultural Committee on the National Storage of Grain.</i> Mr. Garrett, of Proctor & Sons, corn and wheat importers of Liverpool, London, and Hull, said: "As to the system of "dealing in 'Futures,' he thought it was in the "power of any state with the necessary money "to corner the American market and so prevent "supplies reaching this country." | I can endorse this most emphatically. In case of war, a corner would be a certainty, and starvation and submission would be the inevitable result, in spite of our formidable fleet, and in face of the extraordinary statement made in the House during the above debate by Sir C. Dilke, "That in default "of cereals we could rely for "food on peas and lentils."!! |
| 1897 | Hungary . . . | <i>Extract of letter from His Excellency Count Alex. Karolyi.</i> "There is another question of great "importance joining that of 'Bourse reform,' "and perhaps much more serious than the latter "itself, and that is the question of influence and "power, the Agrarian parties on the one hand, "and the 'high finance' on the other, who are "fighting each other at present for the attain- "ment of that position. Matters in Germany "are exactly as I find them here in Hungary, "not only with regard to the question of Blanco- "Terminal trade (gambling in Futures), which "must be mended by a Bourse Reform Law, but "also this other question, as with the Germans "also, is the bone of contention, i.e. the high "finance of Germany representing the untied, "free, international capital on the one hand, and "the agrarians of Germany representing the "fastened national capital on the other hand. "This is what they are fighting about. I believe "the German agrarians will henceforward "develop a still greater action, and confine their "fight not only to the Bourse reform, but also "take front against this 'movable capital' "in general. Besides this anticipation, how- "ever, they are at present living in a period of "suspension with regard to exchanges reform. "Now this has shown a reflex in Vienna and in "Budapest, at the latter place a stronger one "than at the former. But, just as in Berlin, "the question is not going to be given up, "either in Vienna or in Budapest, and the "fight will continue. In a word, we are not "going to give up the game. We are, on the "contrary, convinced that we require for it a "good deal of endurance, and shall find in your "work the most excellent example for imitation." | Germany again gives other countries the lead and grasps the situation, and the combined causes for the ruin of agriculturists. Mr. Eblin- stone Maitland, the well-known bimetalist, wrote to the papers in July, "Why should England, which as it is on productive industry, allow its chances of industrial victory to be played with for the gratification of a small clique of men (including a large proportion of foreigners) who seek, by the contraction of the available coinable bullion, to enable themselves, at the cost of the whole producing world, to be masters of the world's markets and manipulators of prices of produce and shares? Full particulars for this "artificial" contraction of gold were given in my "suppressed" evidence before the Royal Commission on Agriculture in 1894. My views, no doubt, were not pleasant reading to Sir R. Giffen, the English "champion" of this small clique of men," but they are nevertheless true. Bimetalists are only just commencing to realise the power gold capitalists have over Trade, Finance, Agriculture, and Stock Exchange operations, by these gambling systems in produce, silver, &c., and in the gold paper currency in South America. |
| 1897 | France . . . | <i>His Excellency, the French Ambassador.</i> —"You "requested me to bring to the notice of the "Minister for Foreign Affairs in France, two "copies of your work concerning the inter- "national speculation in grain. I have the "honour to inform you that the head of the De- "partment for Foreign Affairs begs me to convey "to you his thanks for your communication, a "copy of which has been placed before the "Minister of Commerce." | Since 1894, their Excellencies the Ambassadors of Argentin, Austria-Hungary, Belgium, Denmark, France, the German Empire, Greece, Italy, Kingdom of Netherlands (Holland), Russia, Sweden and Norway, Switzerland, United States of America, have done me the honour on several occasions to forward to their respective Governments copies of my various works and other information. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-------------------|--|--|
| 1897 | United States . . | <i>The National Farmers' Alliance.</i> —"Am greatly "encouraged to note the growth of the senti- "ment against gambling in Options, as well as "the substantial and effectual results ac- "complished on the Continent during the "present year. With a change of adminis- "tration in our country, especially if we succeed in "our efforts to secure the appointment of a "Secretary of Agriculture, in favour of the "passage of an anti-Option Bill to which all our "efforts are now directed, we are hopeful." | But the fight in this country will be stubborn. It is a hot-bed of gambling and of under-hand influential action. |
| 1897 | Canada | <i>Extract of letter from Mr. J. J. Sadler.</i> "I have "already had one meeting. I assure you my "brother farmers listened with open mouths. "They had no idea that they were plundered so "by these hell-hounds (produce gamblers). I "have sent your books, &c., to our M.P., who is "a Minister and farmer. Our Dominion House is "now in session. I have asked the Minister "to read them well, and then hand them to our "Minister of Agriculture, and to get a resolution "through the House similar to that of Australia. "Our wheat here lately dropped like a flash of "lightning, from 60 cents to 40 cents, without "any warning. Now anyone, with common "sense, knows very well that legitimate business "and trading could not do this. It is the bear- "ers who have got hold of the market in Liverpool "and in America. What a pity it is the farmer "at home does not take hold of this question and "demand legislation! I agree with you, it is "the only remedy and cure for the present "depression. What the farmers of Great "Britain are thinking about I am at a loss to "understand. It simply makes my blood boil "to think of the thousands of bushels of wheat "I grow every year, and this to be sold for me, "before I sow the same—it is an outrage. "Let me say I consider you are the greatest "benefactor the farmer has, not only in Britain, "but in the whole world, and if you are suc- "cessful, which I pray God from my very soul "you will be, your name will be an heirloom in "every farmer's home. May your work prosper, "and success attend your efforts to terminate "this great evil and robbery, done by this "iniquitous, fictitious gambling in wheat." | I have done my utmost to educate the farmers and judging by the thirty-five resolutions passed, not without some success. It lies with the Government who continue to ignore these yearly resolutions. If the farmers wish to force these resolutions home, they must speak out with one united voice—both through their representatives in Parliament, and directly through their agricultural chambers. Then the Government will realise that British farmers still mean what they say, and say what they mean, and that their resolutions are no empty words. |
| 1897 | Germany | <i>Count von Arnim.</i> "From our doings over here, "especially from the silence on the part of "Parliament, with regard to the opposition of "the Bourses to the enforcement of the Bourse "law, your letters seem to draw the conclusion "that the carrying out of the law is question- "able! If, up to now no interpellation has "been made in Parliament as to what the "Government intends doing towards carrying "out the law in face of the free 'Fairy Palace "Association,' the fact is that, up to now, no "complaints have been heard in any question "that agriculture is any the worse through the "strikers (produce exchanges), than if the corn- "dealers did their transactions on the 'official' "exchange. On the other hand, we learn from "the various provincial bourses and com- "mercial places having business that business is "very lively. And the 'province' is getting "more and more to appreciate the fact that it is "to their advantage that the Berlin Terminal "Bourse does not fix the prices, but that the "provinces by their 'real' business, are gaining "an effective influence upon the Berlin market. "The 'terminal trade' (Options and Futures) on | This report will, I am sure, be read with great interest. A permanent improvement in German prices cannot at once be expected, especially as they must still be largely influenced by those of the world, which continue under the depression exercised by the International "Future" systems. This |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|--|
| 1897 | Germany | "the Exchange has actually ceased to exist, or, at least, is confined to very narrow limits; at any rate the outsiders (the public) do not take any part in it, and there is no more 'counter-party'." "The want of an 'official' fixing of prices is, at any rate, not particularly felt. Corn is being bought and sold just as hitherto, and 'real' bargains, more so than only 'on paper.' Agri-culturists are, therefore, in a position to wait, taking their time until the 'strikers' shall come back to their senses. Government's opinion is, that a large number of the 'strikers' would be very willing to return to the old 'Exchange' stalls. It is, therefore, advisable to wait and see whether Government is right; it is, however, absolutely impossible that Government should not be resolved to enforce the carrying out of the law, as soon as there should be any contraventions of this law to the detriment of agriculture. Should there be any yielding disposition towards the 'Bourse,' noticeable in any representative of the Govern-ment, Parliament will speak out. But from our momentary alliance you must not conclude that there is the slightest inclination existing to repeat the law that had been agreed to by such an overwhelming majority. It is positively certain that never will the Bourse be able to bring any influence to bear upon the law, nor will Government or Parliament be in-fluenced by the 'Bourse.'" | Germany fully realises. But, all unwarrantable declines and panics caused by bear selling and understand manipulations in the German markets, <i>de Cohn and Rosenberg</i> case in Berlin (see p. 33), are rendered absolutely impossible. |
| 1897 | England | <i>The Editor of the Corn Trade Year Book, 1897,</i> confirms most of the points I have written or said on this subject, and conclusively proves by statistics that the business done in Options and Futures in Liverpool are "gambling" contracts pure and simple, and shows how this is brought about. | This has been fully confirmed since. On June 10, the Chief of the Police issued an order prohibiting Dealers, &c., to use the "Free Palaces." Would that all Governments would do the same, thereby treating all such Produce Exchanges, whether actual or not, as "places" for common gambling. Laws exist in almost all countries for such. Why not set them in motion? The Canadian Government set the example in 1892. |
| 1897 | England | <i>London Chamber of Commerce.</i> Subject introduced, re Options and their serious effect on the foodstuffs of this country, in case of war. | |
| 1897 | United States | <i>Mr. W. M. Babcock:</i> "The profits from the elevators branch of business, under these systems, is enormous. These large stocks, which are purposely kept in Chicago, makes that the greatest gambling centre in the world. The professional gamblers are grain gamblers, pure and simple. Moreover, there is not a bull in the crowd. They all started as bulls, but ex-perience has taught them that that side was ruinous. A large percentage of those living under modern civilisation are now aware that something is wrong or out of joint in the entire body politic, but just what that is they have not yet learnt. Could we place the market on a supply and demand basis, circumstances would be in a higher plane than ever before in my opinion." | The Government is at present causing official investigations to be made into the question of capitalists and the power they hold by means of the elevator systems over the farmers of the United States. They are now omnipotent over all values by means of these gambling systems, and destroy all freedom of trade and fair competition. |
| 1897 | England | <i>Copy of letter to Mr. G. J. Shaw-Lefevre, M.P., late Chairman of the Royal Commission of Agriculture, as Chairman of the Royal Statistical Societies meeting, held in London on March 16, on Depression in Agriculture in Essex.</i> (N.B. The original letters of Mr. Shaw-Lefevre have been misplaced or lost, and therefore I think it desirable to record mine to him.) Chelmsford, March 20, 1897. Dear Sir,—I have to thank you for your yesterday's letter, and I notice, too, with regret, "that | The M.P.'s of Essex and our Minister of Agriculture can realise the ruin a "tornado" sent by Providence can entail upon Essex farmers, but apparently they remain blind to the ruin caused by the daily "tornadoes" created by man in selling unlimited quantities of "wheat" wheat in the British produce exchanges. See public meeting at Chelmsford, July 2, 1897. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---|
| 1897 | England | <i>you still cannot agree with my views," but still I rejoice to see you say, "that you wish you could, and that you have no sympathy with these gam-bling transactions in Futures, &c., and that you would be very glad by prohibiting them, to think some good would be done to agriculture."</i> Now, I welcome this admission on your part, and feel convinced, that if you would put all your previous bias on one side, and make this subject one of deep study, that you would change your mind, and come to the conclusion that has been and is gradually being acknowledged all over the world—by foreign Governments, Parliaments, and all agricultural societies—that in these systems lie the root of agricultural depression. This lies in the words, "artificially low prices," caused thereby. You are right "in presuming that these bar-gains in Futures are pure gambling bets in prices or in difference," but when you say, "that they have no real influence on prices, and that prices are determined by the ordinary laws of supply and demand," I can assure you, your arguments fall to the ground. No one, not even the defenders of the "Options" systems, can deny that prices of "Options" are the sole and only regulators of the values of the actual produce. This is fully recognised, while it has been proved most conclusively, by actual figures and statistics, that there is "some" hidden cause for the ordinary laws of supply and demand to be upset, and all recognise abroad that it is these systems of gambling in "fictitious" produce. I have had my statistics proved the past few years by all sorts of men and statisticians, and surely in a season like this, with an absolute deficiency in the world, one does not want a more striking example, considering that since last November we have witnessed a fall of 16 per cent. in wheat, instead of a further rise, as prognosticated by all agricultural writers and pure statisticians, who based their views for this rise on the strongest statistical position ever known, but who did not comprehend the power of the "levers" under these Option systems. They were right. Wheat ought to have risen to 40s. to 50s. per qr. Instead of that, we witness the miser-able and unwarrantable price of 37s. 11d., a differ-ence of 18s., say, and which again confirms my cross-examination and "prepared" evidence before Royal Commission in 1894. With regard to your argument "about the rise in wheat last year," say from 22s. to 32s., I can point out it was principally due to a "corner," or manipulation in "Option" contracts of fic-titious wheat, such as we had in 1891 and 1893. I send you copy of a lecture I delivered at Tunbridge Wells on this "corner," last Novem-ber, when the "boom" was on, which gives you full particulars and I can specially draw your attention to page 19—with my propo-sitions about this "coming" fall—which has since taken place. You will see the names of the Americans who first started the corner, and when in Liverpool lately I was given the names of the three principal capitalistic market gam-blers who pioneered this manipulation in Liver-pool, with the supposed enormous amounts they had made out of it. A few of such men can cause such a "temporary" rise, when circum-stances are strongly in their favour. See en-closed letter, re my own case and the sugar industry in 1885, and see also page 12 in "Far- | This is confirmed by the con-demnatory words of Mr. W. J. Harris, as given on p. 26, and implies that when he gave his evidence as an "expert" before the R.C. on Agriculture in 1894, his per-sonal knowledge of "futures" markets was most limited, for reasons he himself states. Yet the R.C. in 1897 issues its report on the inexperienced views of this solitary witness, and ignores the whole of the practical evidence given by others, and in direct opposi-tion to Mr. Harris. The Standard of June 9, in its agricultural notes, points out "that the world's visible supply of wheat is only 11,142,000 qrs, the smallest quantity recorded for a great number of years." "Price 28s. 2d. per qr. In 1891, the world's visible supply was 15,070,000 qrs." "Price 40s. 1d. Hence the present price of 37s. 11d. must be regarded as anomalous." This again proves that the natural laws of supply and demand are upset. The cause of this unwar-rantable price was that, up to June, 1897, all leading operators on both sides of the Atlantic had been "beats" of Options. In 1891, these same operators made a "pool" or corner in Options. Result, they ran the price up from 22s. to 41s. 8d. For particu-lars, see my prepared statement of evidence, 1894, before Royal Commission on Agriculture. "Morning Post," January 5. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---|
| 1897 | England | <p>"mers' Club" Journal, re the ruin to prices caused by one house in Germany, and one house in Austria. I could give you numerous other examples in this and in other countries. Supply and demand go for nothing of the actual produce; it is supply and demand of "paper" crops and the way these are handled and liquidated. Is it right, honest or fair, that farmers' nearest and dearest interests should be the sport of gamblers in "fictitious" produce, and that these should have the power of determining the prices of the former? Surely it is the duty of every Government and the legislators to protect the weak and the innocent from these acts of plunder! You say again, with reference to the rise last year, "that there must have been as many sellers as buyers of wheat." Why, during those few weeks, I don't hesitate to say that there were 100 buyers to one seller. All were buyers, and there were no sellers, only a few resellers, which fed the markets daily. The usual daily sellers, i.e. the members of the Produce Exchanges, who in nine cases out of ten are the "bears," were conspicuous by their absence. Instead of these men being sellers, they were the largest buyers, hence the rise of 45 per cent. in a few weeks. When they turned round and re-sold, "the public" were the "bulls," and the result was, as I have told you, a decline of 16 per cent. in wheat Options, and a decline in English wheat of fully 15 per cent. in consequence.</p> <p>Let me again impress upon you, and I speak with certainty and a personal daily knowledge of over 20 years' gambling experience, and as a member of Produce Exchanges, who has gambled in most commodities, and know that the only way to make money is to "sell what you have" not "buy," and only buy when a "manipulation" or "corner" is on. This latter is only once in a "blue moon."</p> <p>The transactions on the Stock Exchange to which you refer as a simile, are entirely on a different basis, as I have explained most fully. You mention Consols, for example. Why, in the first place, by Rule 90 on the Stock Exchange, no transactions are recognised beyond a month in advance or the second account in any security. In produce you can sell twelve months ahead, under a daily settlement, while 99 per cent. of all transactions in "Options" of produce terminate in no one making delivery. Look at the solid millions invested in Consols, and the Government have at certain periods to buy such for investment. In Options of produce no one invests. Let the Stock Exchange gamblers know this to be the case from now on in Consols, and you would see the price the "bears" would put them to! This remark is applicable to all such sound securities for investment. But with regard to other and not so sound securities—in time of panic. Look at the depreciation of 1890, on the failure of Barings—on American and European Stock Exchange, 200,000,000. Again, look at the panic in 1893, caused by the Anglo-Indian rupee legislation—depreciation on London Stock Exchange, 72,000,000.</p> <p>Again, in 1893, on the Jameson Raid—depreciation of some 300,000,000, in securities all over the world—caused by bear selling and market wreckers. Are not these sound examples of the power of "bear" operators on the Stock Ex-</p> | <p>These financial panics were respectively caused either by gambling "Bear" operations in "fictitious" silver in America and in London, and in the paper currency in South America, or by similar gambling operations on the world's stock exchanges. It was these financial panics, combined with the "sympathetic" panics in options of products that resulted in the prices of wheat, maize, cotton, silver, &c., being forced down during 1890-95 to the lowest values ever recorded, and by which the great international capitalists, by "Bear" operations, made their millions, at the expense of the producers thereof, and of the holders of South American, gold mines, and other stock exchange securities. (See Van Gulpen's true words, p. 53.)</p> |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---|
| 1897 | England | <p>changes? Look at 1866—the financial panic—when the Bank of England suspended, and many other banks—caused by Bear rading very largely—and in consequence Leeman's Bank Act of 1867 was passed. Since then not a single failure of a joint stock banking company has taken place—the property this Bill was intended to protect.</p> <p>The arguments you therefore use in comparing these gambling option produce transactions with similar transactions on the Stock Exchange are proved fallacious by, first, how different the basis is; secondly, how serious the latter can be when the "Bears" have something to work upon, although to every seller there must be a buyer, as per your own argument; and thirdly, as fully also explained that options of produce have no investors, while in all leading securities on the Stock Exchange there are millions of bona fide ones every year. Also, as fully explained in my speech at Farmers' Club and elsewhere since 1892, it is absolutely compulsory for importers and exporters of wheat to sell and their buyers to resell "options" of produce daily and hourly as "bears," whereas it is not compulsory for Stock Exchange gamblers to sell consols &c. It is only wheat options that must be sold daily "Bear" in the various produce exchanges of the world, whereas the Stock Exchange have money hundreds of securities, which they can turn their attention to should they wish to open a "Bear" account. But this is not daily compulsory on behalf of the Stock Exchange gamblers, who are members, and who are almost invariably the "Bears."</p> <p>I am, however, fully aware that most men like yourself who have no personal knowledge of these produce option transactions have formed their opinion of them very largely and almost entirely on Stock Exchange transactions, and the evidence that was produced on the special commission of the latter some years ago. This I first saw plainly when I was cross-examined by Sir R. Giffen before the Royal Commission on Agriculture in 1894, and as I told him then, "whatever he knew about 'Stock Exchange gambling,' he knew nothing about 'the systems I had come up to give evidence upon,' and apparently did not want to"—hence his cross-examination was almost worthless. Besides, he is the champion of the monetarists and bankers of the City of London, and hence the greatest enemy, as they are, to agriculturists. Their vested interests are wrung up in these gambling systems in many ways. From the Bank of England downwards, they all benefit "financially" by them; and I am fully aware that by attacking these produce systems these same men are aware that it may probably lead to their "successful" Stock Exchange operations being also exposed and attacked. I maintain one is just as iniquitous as the other. Why should it be in the power of any man to depress any class of property? One is as sacred as another, and when in 1866 the bankers and gold-bugs saw their property ruined, they soon brought legislation to their rescue in the shape of Leeman's Act. And it is these very same men who introduced these gambling systems into produce and silver, so that they could make money. All this is being recognised all over the Continent, and that is the reason why their gambling "anti-option Bills" include the Stock Exchange as well as the produce exchanges and other forms of plundering and plucking the "pigeons"—i.e. the outsiders. But</p> | <p>As the Report of the Royal Commission on Agriculture forcibly refers to the fact, that the long-continued fall in prices is principally due to "foreign competition," it is again most important to point out, that it is compulsory for these gambling "Bear" sales of options, representing "fictitious" produce, to be sold as "hedged" against the actual imported foreign produce, and thereby constitute a gambling system of "foreign competition" of the most unjust and illegitimate character. It is on this "artificial" basis that Europe is flooded with foreign produce, and against which, it is impossible for any Farmers or Producers to successfully compete. I have invariably dwelt upon this factor, in connection with these systems. Until this basis is eradicated, fair "foreign competition" is impossible, and all Farmers must be ruined, except those, who in India and in Argentina are "artificially" protected by a "depreciated currency," the result also of financial gambling in "fictitious" silver, &c., and in gold, through the medium of a "paper currency."</p> <p>Mr. F. J. Widdington, as a bi-metalist, wrote to the papers in July:—"It must not be overlooked that gambling in silver and other commodities is encouraged by the gold standard. It has been calculated by Sir R. Giffen that the farm products of 1891 and 1892 realised 76 and 84 millions sterling respectively less than they would have been worth at the prices of 1874, so the reduction for this Diamond Jubilee year may be estimated at about 100,000,000." Yet, in face of the above, the British Government, as have protected, stands out per se in their refusal to attempt to rescue their landlairs, farmers, and laborers from these "combined" causes of ruin, while, owing to this "artificial" depreciation of prices caused thereby, Great Britain has almost ceased to grow corn—the one special gift of God to man—hence the alarming position this country has been reduced to, independent of the fact that, under these "international" gambling systems, foreign corn can be and would be "cornered" in case of war.</p> |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|---|--|
| 1897 | England | the worst of all forms are these "produce" option systems, which are ruining the <i>national industries</i> of all countries, including our colonies, and <i>none more so than our own British agriculture</i> . As long as I have the health, strength, and money to carry on this crusade, I shall do so, until I witness the Governments of every nation recognise the truth of my views, for right is might, and must conquer in the end, whatever the <i>unjust or ignorant opposition</i> may be. Yours faithfully, (Signed) CHARLES W. SMITH. | |
| 1897 | England | <i>Royal Statistical Society of London</i> . Several speakers referred to the depression in corn prices being due to gambling in options and futures. | |
| 1897 | England | <i>House of Commons</i> , March.—Mr. Field, M.P.: "I beg to ask the President of the Board of Trade whether the Government received an invitation from the Royal Hungarian Minister of Agriculture to send representatives to the International Agricultural Congress, which was held at Budapest last autumn; and whether he can state the reason for the absence of Governmental Departmental officials from, and the want of co-operation in, that important conference with other nations?" Mr. Long (Minister of Agriculture): The Government were invited to send official representatives to the International Agricultural Congress at Budapest, but in view of the nature and scope of the questions to be discussed, and of the difficulty of defining the position of such representatives, we did not feel ourselves able to accept the invitation. In arriving at this conclusion we had before us the fact that the Royal Agricultural Society, the Central Chamber of Agriculture, and the National Federation of Meat Traders had arranged to be represented at the Congress, and that therefore the interests of British agriculture would be efficiently kept in view. | I wonder if this cheerful deputation of duty by an official, to private irresponsible societies, would be tolerated in any other department besides that of Agriculture. Would the Foreign Office be contented to exorcise its influence and receive its impressions through the Peace-at-any-Price Society, or would the Colonial Office beam under the uninterested representations of the African Chartered Company?—not that I intend any reflection upon the societies named. |
| 1897 | Silesia | <i>Chevalier R. Walcher d'Ugvald</i> . "I have called at his Excellency Count Ledebur last Monday. His Excellency has been very pleased by the Blue Book (evidence of Royal Commission), and told me that he is already in possession of some letters from your hand. He must have given the books immediately to the referring officer, as I have got, a few days later, different papers from that gentleman, who was a member of the International Congress at Budapest." | |
| 1897 | United States | <i>Extract of letter from Mr. S. W. Hampton</i> . "I am glad, indeed, to see that you keep up the fight against gambling in fictitious products through that infamous system of futures and options. The laws enacted by Germany and other nations will do much toward crippling and crushing it, but it is to England and the United States we must look for such effective legislation as will extinguish this most monstrous system of commercial dishonesty. The more I see of it and think of it the more astounded am I that in the two most enlightened and Christian nations | This fully endorses the views of Germany and Austria, besides my own. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|--|
| 1897 | United States | "of the world such a foul scheme could ever have grown up and prospered until it embraced in its deadly grasp the great leading agricultural products of these lands, the staple commodities of the world's commerce. True, it had a <i>shop of fairness in it, when first started</i> , to disarm or weaken suspicion. But it soon developed symptoms of dishonesty and trickery that should have insured its speedy death with any thinking, clear-headed, honest people. It started in this land (the United States) during, or immediately after, our great civil war. And the people were then so deeply engrossed with political affairs, and in rebuilding shattered fortunes, that they did not wake up to a knowledge of what these 'Future and Option' gamblers were doing, until the vile system had been thoroughly fastened on the markets for our great staples—cotton, wheat, and grain especially. It has since been extended to many other articles. I wonder at some of the comments of your critics in the articles you sent me. One of them says, he 'cannot see how buying and selling an article that does not exist can go on without some day coming to an end, and if most of these gamblers make ever so small a profit, the price at the end 'ought to be more than at the beginning.' So I suppose he thinks this Future gambling should put prices up, and thus benefit the producer. How innocent and simple-minded some of these critics are! Or, how utterly devoid of information on the subject! They don't know that the shysters in this so-called business make their great profits by declines in prices. That they work up a state of feeling, a confidence, in some particular article, say cotton for instance, which induces <i>knaveholds and thousands of outsiders to buy their Futures</i> , and then they break down the market by their manipulations, and thus gather in millions by the <i>diabolical trick</i> . I have seen dozens of such instances during my time in the cotton business. Our most disastrous breaks in cotton, tremendous and unnatural declines, have occurred in just this way in the past 25 years. It is surprising to me that every agriculturist and, indeed, every honest man, capable of seeing, thinking and understanding, is not bitterly antagonistic of this shameful system, based only on <i>blackleg robbery, shysters in disguise and covet in sin</i> , and yet has been insidiously grafted on to our commerce, until the trade of the world has been corrupted and demoralized by it to that extent, that it is hardly possible now for an honest conscientious man to remain in mercantile life and make a success of it. At least it is so in this land. With all my heart I wish you success in your work against this monster. I do admire your perseverance and patience, and I hope it will yet meet its full reward; I know how slow the English people are to make changes. It is their conservative nature—which for most matters is a good thing—and I like it. But I hope they will come to see this evil in all its bearings, and to understand fully the monstrous wrong wrapped up in it, and then I expect to see them give it a death-blow. The power of money over the legislation of this country is so great, that I almost despair of seeing effective laws passed against the Future system here until other nations have so hampered it as to | This is a fact, applicable to all countries. Most notably, to Silver. The <i>Standard</i> of August 6, says, "It is hard to see where this decline in silver is to stop, realising, as it does, chiefly from the extent to which the 'forced liquidations' of the holdings of American (and I may add London) speculators has yet to be carried." I have preached this doctrine since 1880. This argument is applicable to all commodities. In other words, the liquidation of "bull" option contracts sold by the "bears." Ignorance and want of style has been a predominant feature, but sometimes knowingly, deceit has been practiced. Quite true. This remark is applicable to all countries where Options and Futures have been introduced. Such a state of affairs is a disgrace upon the civilised world, and especially upon those Governments who tolerate its continuance, now that their eyes have been opened to this "Trade Cancer." |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------------------------|--|---|
| 1897 | United States | "make it unprofitable to the New York and Chicago Futures gamblers, or make it difficult and dangerous to carry it on. Then they (the capitalists) would cease to spend the great sums on our Congress and Legislatures by which they have hitherto secured protection and immunity." | |
| 1897 | Eng and . . . | Public Meeting of Farmers at Peterborough, N.A.U. Resolution passed: "That, in the opinion of this meeting it is desirable that a Select Committee of the House of Commons should be promptly appointed to inquire into the operations of the Future and Option system in the produce market." | This makes some fifty-three or fifty-four protests by Agricultural bodies, that I am able to specify, but this by no means exhausts the total number, many others having taken place, unknown to me. |
| 1897 | Eng and . . . | House of Commons, May 10. Mr. Field, M.P., asked the President of the Board of Trade, whether the Central and Associated Chambers of Agriculture, the National Agricultural Union, the Farmers' Club, and other influential societies had passed resolutions asking the Government to appoint a special commission to inquire into and report on the effect of gambling in Futures in agriculture and trade, and whether such a commission would be appointed at an early date. Mr. Ritchie: "I have received copies of resolutions to the effect indicated by the hon. member, which have been passed by numbers of societies, chiefly connected with agriculture. As at present advised, I do not think any useful purpose would be served by the appointment of a Commission." | Mr. Ritchie can hardly realise how depressing upon the efforts of agriculturists are these continued snubbings. At one time the Government reply that they are waiting for the country to speak, at another that they see no use in acting upon the agricultural recommendations—are they playing with the patience of farmers and trailing upon their want of combination? |
| 1897 | England and Australia . . . | Mr. T. M. Sinclair, the representative of the Agricultural Department in London, officially writes to Mr. E. H. Lascelles in Australia: "Prices for wheat have fallen here (England) recently, which is traceable to the operations in 'Futures' being carried on in the American markets. 'This gambling in 'Futures' operates badly against the farmer, and it is surprising that legislation has not been brought to bear against it in every country. The Germans have taken this question up, and other countries should follow. Wheat would be 30s. here at present if it were not for the 'Future' operators." | Why exclude the international gamblers who operate in Liverpool and in London, quite as largely as in America? It is the price of Futures ruling in England, combined with those in America, which operate badly against the farmers of Australia as well as against the farmers of all our other Colonies. |
| 1897 | England . . . | House of Commons, June 2. Gambling in produce Futures. Mr. W. Field, M.P.: "I beg to ask the President of the Board of Trade whether he had received or asked for any reports from British Consuls stationed in the capitals of the various European nations which have legislated or are considering legislation, respecting gambling in Futures of produce, and, whether he will cause such an inquiry to be made and reported to this House?" Mr. Ritchie: "Reports have been called for from Her Majesty's Representatives in the capitals of the countries referred to, and the replies are now being received." | It will be interesting to see these replies, and whether in them the question will be more clearly dealt with than was the case in 1895. |
| 1897 | England . . . | The Corn Trade News of June 1, officially writes, "Tiring from the records of the past to the outlook at present, which appears to be more than usually obscure, for while prospective scarcity is hovering very close by, yet, on the modern system of trading, prices are rarely maintained during midsummer sunshine. The market may be expected to continue in a very | This authority might also have included the Liverpool bulls and bears. Last Spring, when Farmers were growing the grain, International "Bears" sold "midsummer sunshine" option at a heavy "discount," in order to smash the market. Since the Capitalists have |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------------|--|---|
| 1897 | England . . . | "sensitive state as long as there is the prospect of further demands being made upon the moderate reserves which are owned by British merchants afloat and ashore, and, on the other hand, while it is exposed to the raids of American 'bears' and 'bolls' between now and the commencement of the spring wheat harvest in August." | held the grain, these same month's options have commanded a heavy "premium," owing to a "Corner." The latest example to demonstrate the truth of Mr. W. Long's personal views, is given on pages 13 and 14. |
| 1897 | England . . . | Concluding paragraph of an article by Mr. W. E. Bear, "Agriculture in the Victorian Era"—June number of the "Fortnightly Review"—"There never can be a contemporaneous and complete adjustment of expenses to returns for producers in a period of falling prices, and there will be no hope of the permanent restoration of agricultural prosperity so long as the standard of value keeps on appreciating, and commodities consequently continue to fall in price, being beaten down additionally by market gambling. Let us hope that the glorious reign of Her Majesty the Queen will not come to an end before the two great artificial causes of an unremunerative level have been removed by international arrangement and legislation." | Were Her Most Gracious Majesty's powers commensurate with those of His Majesty the German Emperor or of His Majesty the King of the Belgians, it would not be long, I feel sure, before the latter artificial cause, which is within the range of practical politics in all countries, would be removed, and the gigantic abuses resulting therefrom be remedied. This remedy therefore stands out as a non-artificial one for raising values to their natural level, based on the world's supply and demand. |
| 1897 | United States | The Chicago Times and Herald lately remarked on the unwarranted cheapness of corn: "Prices are already so low as to create a demand for visionary and dangerous remedies. They might get so low as to create amongst the Agricultural classes some such malicious spirit as was exhibited by the industrial class in Great Britain during the early part of the Victorian reign, and which gave England such a scare." | If the world's farmers, rural labourers and their families could once realise who it is that is robbing them of fair prices for their produce and their labour, the malicious spirit referred to, which has lately delivered itself in Hungary, would soon travel all over the civilised world, and bring the respective Governments to their senses. |
| 1897 | Holland . . . | Mr. Van Gulpen writes and proves that most of this gambling business is done "under false pretences," and could very easily be prohibited, if the authorities wished to, by penal servitude. This same leading Dutch merchant last year expressed the opinion, "that the great international capitalists have in the bearing and bulling of fictitious dealings in futures the key to the mastery of the world." | Both statements are true. |
| 1897 | Belgium . . . | Mr. F. Himmelfarb, of Antwerp, a leading grain merchant, in his economical work on gambling in grain Futures, winds up as follows: "One may think what one likes about gratifying the desire of the public to gamble. Under no circumstances should one, in order to satisfy it, retain a system that is undoubtedly producing the ruin of trade and agriculture. It is not true that the trade in corn and dealing in Futures are so closely bound up together that they cannot be separated. For in trading in corn it is tacitly understood that the goods sold be delivered and received. In dealing in Futures it is tacitly understood that the corn is specified by name only, neither to be delivered nor accepted, and if in the case of artificial corners or of artificial depressions one insists on the fulfilment of obligations, this is, in the trade in Futures, looked upon as dishonourable." | This again fully confirms many previous statements and views. |
| 1897 | Austria . . . | July.—The Austrian Government appoint their Committee for a Special Inquiry. This is in accordance with the promise made last year to the Austrian Parliament by Count Lesdebar, on behalf of the Government (see p. 32). | I trust this Inquiry will be held in public and the witnesses be examined on oath, à la British Parliamentary Inquiry. Any other way reduces an inquiry on this subject to a mere mockery or sham. |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------|--|---|
| 1897 | Argentina | Mr. Guillermo C. C. Morpan.—“I have read your article on Gambling in Agricultural Produce with much interest, and, as you justly state, the subject is a most important one all over the world. This Government is simply a den of gambling itself—if that is so now, what was it 30 years ago when I came out first? We have much to be thankful for, however—the Indian gauchito blood is less and less observable year by year in our rulers, and men in high places do now at intervals (few and far between, it is true) shows glimmerings of intelligence and honesty of purpose in the direction of the affairs of the nation, but the old Adam is strong in them yet and they cannot always resist temptation, being very often much mixed up yet.” | This gambling in Gold is most serious, especially to the wheat growers of the world. By it, the great capitalists have obtained sole command over the paper currency and absolutely rule the gold premium. Let all Governments ponder over the words of Mr. Morgan. There is room, even at the end of the present century, for deep thought, especially amongst those who profess so loudly their boasted Christianity and pose before the world as the pioneers of civilization and of honesty. |
| 1897 | England | House of Commons, July 29. <i>Gambling in Futures.</i> Mr. W. Field, M.P.—“I beg to ask the President of the Board of Trade whether he had made inquiries as to the action of other Governments respecting the prohibition by law of gambling in Futures, especially in grain: whether such inquiry would be continuous: and whether the Government intended to consider this subject, and introduce legislation to safeguard the producer and consumer.” Mr. Ritchie.—“The replies are not yet complete, but the action of foreign Governments will continue to be carefully watched. Her Majesty's Government has no intention of introducing legislation on the subject at present.” | I trust, ere Parliament re-assembles, this document will have helped to amplify these replies. Why should Her Majesty's Government be dependent upon the action of foreign Governments? Why should not the former take independent action as in all other questions of national importance, and by introducing legislation at once, save British and Colonial Agriculture and Trade, in the future, from this world's acknowledged cause of depression? Remembering that it is the English exchanges who constitute the principal ‘Gambling Produce Hells’ in Europe, and who are, combined with those in America, the sole cause of ruin to tens of millions of innocent people all over the world, and to none more so than to those connected with British Agriculture and Trade. |
| 1897 | England | Resurrection of Mr. H. Chaplin, M.P., late Minister of Agriculture and Member of the present Government.—“I am not altogether in accord with the conclusions in paragraph 553 upon the question of Commercial Gambling. In view of the evidence given by some of the witnesses who have had great practical experience as buyers of wheat, I am not prepared to pronounce an opinion against further investigation of the subject.” Resurrection of Mr. John Gilmour.—“I should have preferred that the last three paragraphs, 552, 553, and 554, of Chapter X, on Commercial Gambling, had been omitted, and in view of the very marked interest taken by large bodies of Agriculturists in this country, and the action taken, not only by the countries named in the Report, but by others, I should have desired to have seen a paragraph inserted emphasizing the last sentence of paragraph 551, and calling upon the Government to go carefully into the question, and more pointedly than is done in the Report, declaring the importance of a close observance by proper authorities in this country of the result of any legislation in other countries dealing with this matter.” Resurrection of Mr. John Clay.—“I wish to express my dissent from paragraphs 553 and 554 in the chapter on ‘Commercial Gambling.’ The | |

Observations of three Members of the British Royal Commission on Agriculture, who signed the Main Report.

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---------|
| 1897 | England | “number of subjects in connection with Agricultural depression brought before us was so great, that it was impracticable for us to enter exhaustively into the complicated question of market gambling, and therefore I do not feel that we are justified in pronouncing judgment upon the arguments which we have summarised. I have, however, no hesitation in endorsing a recommendation made by the Central Chamber of Agriculture and other Agricultural bodies in favour of the appointment of a Select Committee of the House of Commons for the examination of witnesses, and especially of experts in the corn trade, upon this highly technical subject.” | |

N.B. In compiling this necessarily brief and hurried summary, I have perforce been obliged to omit numerous interesting letters from influential personages (including Members of the British Government) marked “private.” It is impossible for any private individual, no matter to what trouble and expense he may go, to attempt to collect full information on this subject at home and abroad. For the last five years I have done my best, and I believe that the most important steps are recorded in this paper. Such information as I possessed would have been at the disposal of the Royal Commission in 1897, had they wished to prosecute the subject instead of acting as the propounder of it. I must now leave it to my readers and correspondents to decide whether there is a practical connection or not between international speculative dealing in wheat “Futures” and agricultural depression, or rather whether the subject is not worthy and important enough for Parliamentary inquiry—I have done my utmost, and as a private individual, feel that I can do little more, beyond keeping in touch. The influence to move this country and America must come from abroad. Both countries are too much at present in bondage to capitalists, financial market manipulators, and price wreckers. When and from where will freedom come? The future only can decide, but one thing is certain, that come it will, or our legitimate Trade and National Agriculture are both doomed.

C. W. S.

THE CONCLUSIONS ARRIVED AT BY THE ROYAL COMMISSION ON AGRICULTURE.

CHAPTER X.

COMMERCIAL GAMBLING.

544. We have examined Mr. C. W. Smith and a few other witnesses with regard to the system of speculative dealing in some kinds of agricultural produce, especially wheat, which is now practised in New York, Liverpool, and other commercial centres, and which is alleged to conduce to agricultural depression by steadily and largely reducing prices below the level at which they would otherwise stand.

545. The following is a short summary of the evidence thus given:—

Mr. Charles W. Smith, who was for many years a produce broker in Liverpool, described the system as “the forestalling of crops before they are grown; the sale for future delivery of produce which the sellers do not possess, and do not intend to deliver; an enormous amount of re-selling without the transfer of commodities, resulting in rampant speculation; a method of hedging on behalf of importers conducted after the professional betting man's plan of bookmaking; the multiplying of crops on paper 40 or 50 times larger than the actual crops grown by farmers; and the establishment of clearing-houses in which a daily or weekly settlement of sums due on variations in prices is effected.” The system, he added, was introduced, in its American form, into the Liverpool Corn Exchange in 1855, but was not extensively in operation with a regular settlement till 1859.

Mr. Smith explained that although under the rules of produce exchanges in the United States and this country, the delivery of produce named in an option must be contemplated, and the buyer can claim delivery if he pleases, it hardly ever takes place. As a rule, the seller has no produce at the back of his contract, and has not any intention of delivering any; while the buyer knowing this perfectly well has no intention of demanding delivery. The settlement, as intended, is purely one of the payment of price differences, either daily or weekly, under the clearing-house system, according

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|-----------|--|--|
| 1897 | Argentina | Mr. Guillermo C. C. Morga.—"I have read your article on Gambling in Agricultural Produce with much interest, and, as you justly state, the subject is a most important one all over the world. This Government is simply a den of gambling itself—if that is so now, what was it 30 years ago when I came out first? We have much to be thankful for, however—the Indian gaucha blood is less and less observable year by year in our rulers, and men in high places do now at intervals (few and far between, it is true) shows glimmerings of intelligence and honesty of purpose in the direction of the affairs of the nation, but the old Adam is strong in them yet and they cannot always resist temptation, being very often much mixed up yet." | This gambling in Gold is most serious, especially to the wheat growers of the world. By it, the great capitalists have obtained sole command over the paper currency and absolutely rule the gold premium. Let all governments ponder over the words of Mr. Morga. There is room, even at the end of the present century, for deep thought, especially amongst those who profess so loudly their boasted Christianity and pose before the world as the pioneers of civilization and of honesty. |
| 1897 | England | House of Commons, July 25. <i>Gambling in Futures</i> . "Mr. W. Field, M.P.—"I beg to ask the President of the Board of Trade whether he had made inquiries as to the action of other Governments respecting the prohibition by law of gambling in 'Futures,' especially in grain: whether such inquiry would be continuous: and whether the Government intended to consider this subject, and introduce legislation to safeguard the producer and consumer." | I trust, on Parliament re-assembles, this document will have helped to amplify these "replies." |
| | | Mr. Ritchie—"The replies are not yet complete, but the action of foreign Governments will continue to be carefully watched. Her Majesty's Government has no intention of introducing legislation on the subject at present." | Why should Her Majesty's Government be dependent upon the action of Foreign Governments? Why should not the former take independent action as in all other questions of national importance, and by introducing legislation at once, save British and Colonial Agriculture and Trade, in the future, from this world's acknowledged cause of depression? Remembering that it is the English exchanges who constitute the principal "Gambling Produce Halls" in Europe, and who are combined with those in America, the sole cause of ruin to tens of millions of innocent people all over the world, and to none more so than to those connected with British Agriculture and Trade. |
| 1897 | England | Reservation of Mr. H. Chaplin, M.P., late Minister of Agriculture and Member of the present Government—"I am not altogether in accord with the conclusions in paragraph 553 upon the question of Commercial Gambling. In view of the evidence given by some of the witnesses who have had great practical experience as buyers of wheat, I am not prepared to pronounce an opinion against further investigation of the subject." | |
| | | Reservation of Mr. John Gilman—"I should have preferred that the last three paragraphs, 552, 553, and 554, of Chapter X., on Commercial Gambling, had been omitted, and in view of the very marked interest taken by large bodies of Agriculturists in this country, and the action taken, not only by the countries named in the Report, but by others, I should have desired to have seen a paragraph inserted emphasizing the last sentence of paragraph 551, and calling upon the Government to go carefully into the question, and more pointedly than is done in the Report, declaring the importance of a close observance by proper authorities in this country of the result of any legislation in other countries dealing with this matter." | |
| | | Reservations of three Members of the British Royal Commission on Agriculture, who signed the Main Report. | |
| | | Reservation of Mr. John Clay—"I wish to express my dissent from paragraphs 553 and 554 in the chapter on 'Commercial Gambling.' The | |

| YEAR | COUNTRY | EXTRACT OR COPY | REMARKS |
|------|---------|---|---------|
| 1897 | England | "number of subjects in connection with Agricultural depression brought before us was so great, that it was impracticable for us to enter exhaustively into the complicated question of market gambling, and therefore I do not feel that we are justified in pronouncing judgment upon the arguments which we have summarised. I have, however, no hesitation in endorsing a recommendation made by the Central Chamber of Agriculture and other Agricultural bodies in favour of the appointment of a Select Committee of the House of Commons for the examination of witnesses, and especially of experts in the corn trade, upon this highly technical subject." | |

N.B. In compiling this necessarily brief and hurried summary, I have perforce been obliged to omit numerous interesting letters from influential personages (including Members of the British Government) marked "private." It is impossible for any private individual, no matter to what trouble and expense he may go, to attempt to collect full information on this subject at home and abroad. For the last five years I have done my best, and I believe that the most important steps are recorded in this paper. Such information as I possessed would have been at the disposal of the Royal Commission in 1897, had they wished to prosecute the subject instead of acting as the propounder of it. I must now leave it to my readers and correspondents to decide whether there is a practical connection or not between international speculative dealing in wheat "Futures" and agricultural depression, or rather whether the subject is not worthy and important enough for Parliamentary inquiry—I have done my utmost, and as a private individual, feel that I can do little more, beyond keeping in touch. The influence to move this country and America must come from abroad. Both countries are too much at present in bondage to capitalists, financial markets, manipulators, and price swindlers. When and from where will freedom come? The future only can decide, but one thing is certain, that come it will, or our legitimate Trade and National Agriculture are both doomed.

C. W. S.

THE CONCLUSIONS ARRIVED AT BY THE ROYAL COMMISSION ON AGRICULTURE.

CHAPTER X.

COMMERCIAL GAMBLING.

544. We have examined Mr. C. W. Smith and a few other witnesses with regard to the system of speculative dealing in some kinds of agricultural produce, especially wheat, which is now practised in New York, Liverpool, and other commercial centres, and which is alleged to conduce to agricultural depression by steadily and largely reducing prices below the level at which they would otherwise stand.

545. The following is a short summary of the evidence thus given:—

Mr. Charles W. Smith, who was for many years a produce broker in Liverpool, described the system as "the forestalling of crops before they are grown; the sale for future delivery of produce which the sellers do not possess, and do not intend to deliver; an enormous amount of re-selling without the transfer of commodities, resulting in rampant speculation; a method of hedging on behalf of importers conducted after the professional betting man's plan of bookmaking; the multiplying of crops on paper 40 or 50 times larger than the actual crops grown by farmers; and the establishment of clearing-houses in which a daily or weekly settlement of sums due on variations in prices is effected." The system, he added, was introduced, in its American form, into the Liverpool Corn Exchange in 1853, but was not extensively in operation with a regular settlement till 1859.

Mr. Smith explained that although under the rules of produce exchanges in the United States and this country, the delivery of produce named in an option must be contemplated, and the buyer can claim delivery if he pleases, it hardly ever takes place. As a rule, the seller has no produce at the back of his contract, and has not any intention of delivering any; while the buyer knowing this perfectly well has no intention of demanding delivery. The settlement, as intended, is purely one of the payment of price differences, either daily or weekly, under the clearing-house system, according

to the variety of the produce nominally dealt in during the course of the time bargain, and finally at its determination.

5-6. This view of the case was supported by Mr. W. E. Bear, a witness who appears to have given a great deal of attention to the subject, and who described the transaction in question as precisely equivalent to a bet upon the future price of wheat.

Both the witnesses just named are of opinion that the option system has an effect in lowering the prices of the commodities to which it is extensively applied, especially wheat and cotton.

5-7. Mr. Seth Taylor, one of the most extensive buyers of wheat in England, also repeatedly stated that, in his opinion, the general tendency of the system was to produce a fall in prices. Mr. Smith attributed the entire fall in the price of wheat that has occurred since the system came into general operation in America, and was extended to England and certain countries in continental Europe, to that system. Neither of the other two witnesses just named went so far as this. Mr. Bear held that market-gambling had to some extent depressed prices; though he, as well as Mr. Taylor, said that it was impossible to tell the extent to which the fall was attributable to this cause.

5-8. On the other hand, Mr. W. J. Harris, a member of one of the largest firms engaged in the foreign wheat trade, contended that the option system had no effect upon prices, unless farmers, by selling forward against their crops, would gain something by so doing. Other witnesses examined upon the subject supported generally the view taken by Mr. Smith and Mr. Bear, and two of them said that this opinion was spreading rapidly among English farmers.

5-9. It was further alleged that American farmers generally were of the same opinion, and that all their great organisations had supported the anti-option Bills which have been introduced in Congress.

5-10. It has also been stated that the great majority of grain merchants on Mark Lane are entirely opposed to the option system, and that very few of them have anything to do with it; the operation of the system, so far as grain is concerned, being confined to the Baltic cargo market.

5-11. In Germany a Bill totally prohibiting options in grain was passed in May 1896, and came into operation on the 1st of January of this year. In other countries legislation of a similar character has been attempted or is projected; but at present Germany is the only country in which anything material has been done by law to check the option system. The result of any legislation that may be carried into effect upon this subject will no doubt be carefully watched by the proper authorities in this country.

5-12. The only witness, it will have been observed, who even alleged that the fall of agricultural prices was largely due to this speculative dealing was Mr. C. W. Smith. The other expert witnesses who were examined, especially Mr. Bear and Mr. Taylor, carefully guarded themselves against assigning more than a portion of the fall in recent years to this cause, and Mr. Taylor in particular guarded himself against being thought to say that more than a small part of the fall was due to it.

5-13. We felt bound to listen to some witnesses whose views have found a certain amount of acceptance, not only in the agricultural community in this country, but apparently in very important quarters in Germany and the United States, where legislation against speculative dealing has been attempted and (in Germany at least) carried. After considering the *prima facie* case presented to us, however, we did not think it desirable to pursue the investigation further, as the evidence did not produce on our minds the impression that this commercial gambling really produces the alleged effect on prices or seriously contributes to agricultural depression.

5-14. We must not be supposed to approve of the system of gambling in produce in itself, or to deny that, like other forms of gambling when carried to excess, it produces great mischief. But how far gambling in its various forms is a cause of social mischief and a proper subject for repressive legislation were not subjects before us. We are only concerned here with agricultural depression, between which and speculative dealing in wheat "futures" we can discern no practical connection.

END OF
TITLE